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UN Approves Resolution on U.S. Panama Action

FL2912230589 Mexico City NOTIMEX in Spanish 2244 GMT 29 Dec 89

[Text] United Nations, 29 Dec (NOTIMEX)—The UN General Assembly this afternoon approved by a majority vote a draft resolution deploring the U.S. intervention in Panama.

The resolution, which was sponsored by Nicaragua and Cuba, was approved by a 75-20 vote and 40 abstentions, despite the U.S. attempt to prolong the session.

The UN resolution states that the U.S. intervention has been a flagrant violation of international law.

Rio Group Protests U.S. Action at Nunciature

PA3012050189 Paris AFP in Spanish 0422 GMT 30 Dec 89

[Text] Mexico City, 29 Dec (AFP)—The seven Latin American countries that are members of the Rio Group issued a communique here today demanding that the United States "respect diplomatic immunity and the inviolability of diplomatic missions," including the Apostolic Nunciature in Panama.

According to reports from Panama, the U.S. invasion troops temporarily arrested the Nicaraguan and Cuban ambassadors in that Isthmian country. The troops also broadcast loud rock music through loudspeakers directed at the Apostolic Nunciature, where General Manuel Antonio Noriega has taken refuge.

The text of the communique, reported by the Mexican Foreign Ministry, is signed by the governments of Argentina, Brazil, Colombia, Mexico, Peru, Uruguay, and Venezuela. These countries also form the Permanent Political Consultation and Concertation Mechanism [Mecanismo Permanente de Consulta y Concertacion Politica].

Although the Rio Group communique does not make a specific reference to the use of rock music, it called for "international respect" regarding "the measures" adopted by the U.S. troops that "disturb the functioning" of the Apostolic Nunciature in Panama.

The Rio Group communique ends by stating that it "rejects all actions against the immunity of the diplomatic representations accredited in Panama, in accordance with the Vienna Convention."

EC Approves $145 Million To Develop Area Trade

PA2912030989 Tegucigalpa EL HERALDO in Spanish 15 Dec 89 p 67

[Press communique No. 096-89 issued by the Foreign Ministry's Information Directorate in Tegucigalpa on 13 December]

[Text] The EC has authorized EC Representative Abel Matutes to sign a financial agreement with the Central American governments for developing trade in the area and reactivating the Central American Clearing House. The program will be for a total of $145 million and the first disbursement will be for approximately $49 million (43.5 million European Currency Units).

This EC action is the result of the Fifth Ministerial Conference (San Jose V) held in San Pedro Sula, Honduras, during which the EC and Central American foreign ministers signed a communique in which Central American countries requested from the EC "new financial and technical resources" to lessen the effects of "the main financial restrictions affecting trade in the area."

The assistance requested includes reorganizing a regional payment system, implementing a special mechanism to support interregional export companies, a mechanism for countries having chronic trade deficits and for the least developed countries in the area, as well as strengthening and restructuring the BCIE [Central American Bank of Economic Integration] so this bank can support the processes of economic reactivation and development in the region.

The joint economic communique signed on 28 February 1989 in San Pedro Sula stated that the EC "in accordance with agreements signed in Hamburg (Fourth Ministerial Conference)" guaranteed the implementation of support measures in priority areas for the region's development and committed itself to attend to priorities along with the Central American countries.

The request to the EC for a program for the restructuring and strengthening of the economic integration process was officially presented at the Third Ministerial Conference in Guatemala in 1987.

Tegucigalpa, 13 December 1989

Information Directorate

Ministry of Foreign Relations

Republic of Honduras

Cuba

Castro Reaffirms Socialism for Cubans

PA0101211090 Madrid EFE in Spanish 1837 GMT 1 Jan 90

[Text] Havana, 1 Jan (EFE)—Cuban President Fidel Castro today said that "no one and nothing will force Cuba to withdraw from the path toward socialism." Castro said this in his message of congratulations to the Cuban people minutes after the beginning of 1990.

Fidel Castro congratulated the Cuban people for the "spirit shown on 7 December," the day on which the funeral services for the Cubans who died in action in Angola and other countries were held, and "in light of the brutal imperialist aggression against Panama."

For the past 4 days, Castro has been very active in Havana. He has been inaugurating social and industrial works and at each event has given a speech.

In all his speeches, the leader of the Cuban revolution has constantly referred to the so-called "process of rectification of mistakes and negative tendencies" he has directed since 1986 while at the same time reiterating his uncompromising defense of socialism.

Castro criticized the technocratic methods that, he said, had brought construction in the country to a halt between 1976 and 1986 and said that now "all is being corrected."

Castro described as "positive" the results of the year that just ended. He said that the year had been one of "revolutionary reaffirmation, work, and optimism."

However, he admitted that some "unpleasant episodes" had taken place, in reference to the trial of a group of soldiers charged with drug trafficking and corruption, a situation of great international complexity, and "traumatic cases" like the U.S. invasion of Panama.

During a speech at the "Jose Antonio Echeverria" Superior Polytechnic Institute in Havana, Castro said that following the Panamanian experience, "we cannot discard the advent of difficult times for the country because we are confronting a triumphantist empire that believes itself the owner of the world."

Castro added that with its invasion of Panama, the United States disregarded "world public opinion and interanational laws because it committed an act without the slightest respect and consideration for the Latin American people."

"Cuba does not fear a blockade or direct aggression," Castro said and added, "we are not going to allow the enemy to destroy what we are doing because they will have to pay dearly for it."

Fidel Castro called on the people to defend "the ideological and military trenches of the revolution," and asked them to turn these into "something as high as the Turquino peak" (the highest mountain in Cuba).

Castro said that this can be achieved "struggling against the unbelievers and shutting their mouths, struggling against those who are attempting to divide us, because if there is something sacred to defend it is the unity of the homeland."

Castro Rejects 'Repugnant Social System'

FL3112013189 Havana Television Service in Spanish 0100 GMT 31 Dec 89

[Excerpt] Commander in Chief Fidel Castro has given the closing speech at the ceremony officially inaugurating 11 polyclinics in several municipalities in Havana City Province. This fulfills other tasks in the capital, which is seeking to host the 26 July ceremony in 1990.

[Begin Castro recording] We will proceed with this program. If they want to make us disappear from the face of the earth, we have these programs that will not disappear from the face of the earth. [applause] We would prefer to disappear from the face of the earth rather than live under a repugnant social system in which everyone else wants to loot others, oppress the others, exploit the others. We will see if they can do this. We will see if they can make us disappear. No one should make a mistake about this revolution, this country. It is a very hard bone to break. [applause]

We will continue with our program. We will continue. We know how many hospitals we have to build here and when we must build them. We are aware of all the programs that are progressing. We think: There is no urgency. We have more urgent needs. We need a pediatric center like the Juan Manuel Marquez east of the capital, and we need another in the southwest for better geographic distribution of those hospitals. [end recording]

Prior to the ceremony, Fidel toured several of the health centers inaugurated today. [passage omitted]

U.S. Troops Detain Embassy Second Secretary

FL3012012989 Havana Radio Rebelde Network in Spanish 0011 GMT 30 Dec 89

[Telephone report by correspondent Nelson Notario Castro from Panama City—live]

[Text] The U.S. troops that have surrounded the Cuban Embassy for 6 days detained Comrade Jorge Sosa, second secretary of the embassy, at the door of the residence of Ambassador Lazaro Mora at 1245 today. Less than 24 hours ago, a similar incident took place. The invader soldiers did not acknowledge the diplomatic immunity of Comrade Sosa, who was carrying all his documents.

Similar to yesterday, the Cuban ambassador here told U.S. officials that as ambassador, he must guarantee his officials' safety. For this reason, he accompanied the detainee in a U.S. armored vehicle that took them to a small garrison in the canal zone, which is also controlled by the invaders. There, as happened yesterday, a U.S. official told them it had been a mistake.

It is difficult to believe this kind of mistake. Moreover, what are the U.S. officials who are ordering these actions trying to do? This question has been asked at the Cuban Embassy here. There is evidence that at the time of the detention, U.S. Colonel (Abson) was very near the place and was watching everything.

Cuba has denounced this violation before several international organizations as well as before the dean of the diplomatic corps and the apostolic nuncio, Monsignor Jose Sebastian Laboa.

Yesterday evening, when a similar action took place, a prelate immediately contacted the U.S. charge d'affaires here and told him about the matter. However, Mr. John A. Bushnell confessed he knew nothing about it. According to an eyewitness account given to a European reporter, the prelate then asked Mr. John Bushnell: Who is ruling Panama if you do not know what your men are doing? Those men are conducting searches and raids everywhere.

This afternoon it was reported that U.S. specialists have meticulously reviewed all the documents left in the Foreign Ministry. Leonardo Kam, head of the Foreign Ministry during the previous government, was captured and sent to a U.S. base. While this was happening, it was reported from the interior of the country that Major Victor Hererra, chief of the 8th military zone, had been captured.

Commentary Warns of Consequences of Panama Action

FL2912135889 Havana Radio Rebelde Network in Spanish 1140 GMT 29 Dec 89

["Our Opinion" commentary from "Haciendo Radio" program]

[Text] U.S. troops in Panama are maintaining a climate saturated with tension which, contrary to what usually happens in actions of this type, increases each day instead of decreases. Even lawyer Guillermo Endara's administration, installed by the invaders, is in question. He said that the U.S. soldiers would be in Panama for 1 month, the U.S. Embassy stressed that the troops would be there indefinitely. He said that General Manuel Antonio Noriega's extradition is prohibited by the republic's Constitution, but then he suggested that Gen Noriega may be turned over to the United States in accordance with a treaty signed in 1904.

The concentration camps, which are not accessible to the press, are packed with more than 5,000 prisoners. Nevertheless, the invaders continue to indiscriminately search certain houses. It has been reported that they are looking for 75,000 unregistered weapons that could be used by any future guerrilla resistance.

In reference to what has happened in embassies, diplomats have been temporarily kidnapped and pressure has been exerted over the Vatican's nunciature to turn over a person seeking asylum.

Has Gen Noriega made the United States lose its mind? Is the powerful U.S. Army afraid of an armed indignant reaction by the Panamanian people? Is it testing the nerves of government representatives that are in solidarity with the Panamanian cause? Is it trying to challenge the Latin American continent and international conventions on diplomatic and human rights?

The UN General Assembly should answer some of these questions in the emergency session that will be held today, Friday, to vote on the resolution to condemn the U.S. intervention in Panama.

It was exactly a week ago that a document issued by the OAS Political Council strongly condemned the military intervention. It asked for the withdrawal of U.S. troops and demanded complete respect for the free determination of the Panamanian people without any foreign interference. It is expected that the UN General Assembly will issue a similar resolution which will also warn of the adverse consequences the action in Panama may have on peace and security in Central America.

The conduct of the United States, which is trying to impose itself on others by trampling on laws, can only destabilize the surrounding areas by making free peoples' consciences shake with indignation.

Envoy Detention, Church Handling of Noriega Noted

FL2912143189 Havana Tele-Rebelde Network in Spanish 1400 GMT 29 Dec 89

[Text] Vatican Radio today stressed reports on U.S. troops' detention and subsequent release of the Cuban ambassador to Panama. Vatican Radio said that Cuba presented a strong protest against this action to the United Nations. The incident has received the greatest attention among the diplomatic community accredited to the Holy See, PRENSA LATINA says.

Meanwhile, Vatican City continues negotiations on the situation of the nunciature in Panama City. The Church is trying to negotiate an agreement with the United States on the situation of General Manuel Antonio Noriega, who requested asylum in the nunciature in Panama City.

Vatican spokesman Navarro Vals told the press that General Noriega has received temporary political asylum for urgent and serious reasons, in accordance with a decision of conscious made by Apostolic Nuncio Jose Sebastian Laboa. Navarro Vals spoke highly of the position adopted by the nuncio in Panama.

An occupying force cannot interfere with the work of a diplomatic mission or ask that embassy to turn over someone who is seeking political asylum, the Holy See spokesman said.

For their part, the archdiocese of Panama bishops published a communique expressing support for Apostolic Nuncio Sebastian Laboa who agreed to give shelter to Gen Noriega.

Soviets Condemn Detention of Cuban Diplomats

FL2912164289 Havana Radio Rebelde Network in Spanish 1630 GMT 29 Dec 89

[Report by Pepe Mejia]

[Text] The Soviet Union today condemned the detention of Cuban diplomats in Panama by the U.S. invading forces, which it described as a flagrant violation of international law. The USSR's condemnation is contained in a statement that warns of the seriousness of the incident, which has worsened the situation created by the U.S. military intervention. The official statement of the USSR also criticizes the use of Panama as a testing ground for new weapons, which it stresses is not the first time that the United States has done this in small countries.

Ambassador to UN Views Vote on Panama Situation

PA3012020389 Havana International Service in Spanish 0022 GMT 30 Dec 89

[Interview with Oscar Orama, Cuban ambassador to the United Nations, by journalist Jorge Luis Bernard, place not given—live or recorded]

[Text] [Bernard] Ambassador, how significant is the UN approval of a resolution condemning the U.S. invasion in Panama after the UN Security Council did not accept discussing a similar resolution—given the veto of the United States and other nations?

[Orama] It is highly significant. It means that the international community clearly rejects the Yankee military intervention in Panama. We might add that it got 75 votes in favor and 39 abstentions, but we must mention that the United States exerted unquestionable pressure and carried out maneuvers: first, so the General Assembly would not adopt a decision; and second, to play for time, which is the tactic they have been using.

Nevertheless, the UN General Assembly today imposed its will and adopted the resolution. The United States, I repeat, exerted all kinds of pressure in the countries' capitals and here in the assembly to reduce the number of votes. Given the circumstances, we must state that the 75 votes are very important because 75 countries have said no to the Yankee invasion in Panama. This means that the Panamanian people are not alone and that the international community is aware of what is at stake if the United States continues to act like it has in Panama. The United States has been unmasked. It has violated international laws; it has trampled the UN Charter; and it has established new principles....[changes thought] it has introduced new elements, to be more precise, in its policy. The United States has assumed the role of judge and it wants to decide when they can or cannot enter a country to change leaders and arrest leaders. I think that this is a barbaric action, and the international community does not accept it.

That is stated by today's vote at the UN General Assembly, and I believe that the vote is very important because the United States exerted a lot of pressure to stop the countries from stating their will.

[Bernard] Following the resolution condemning the U.S. invasion in Panama, what other steps do you think can be taken by the United Nations or other international organizations—for example, the Nonaligned Movement?

[Orama] The coordinating bureau of the Nonaligned Countries Movement held a meeting today to show its deep concern and rejection, and to demand the withdrawal of the U.S. troops' military cordon around our embassy....[corrects himself] our ambassador's residence in Panama. During the debate, it was clear that some countries were concerned that the movement would adopt a stronger and more profound decision concerning the events in Panama. Consultations are being held right now to analyze the movement's possibility of adopting subsequent actions.

Government 'Does Not Recognize' Panamanian Regime

FL3112214489 Havana Radio Rebelde Network in Spanish 2102 GMT 31 Dec 89

[Foreign Ministry Communique issued in Havana on 31 December]

[Text] The Cuban Government does not recognize the legitimacy of the self-styled government that declares it has assumed power in the Republic of Panama.

Installed under the protection of U.S. weapons, amid the their own country's devastation, and over the bodies of Panamanians who died resisting the Yankee occupation or were victims of the brutal act of invasion, the forces that pretend they rule Panama can neither invoke democracy nor recourse to the law. They are, purely and simply, a result of the invasion.

Government Remains Willing To Accept Noriega

PA2912162989 Madrid EFE in Spanish 1530 GMT 29 Dec 89

[By Gerardo Gonzalez Vega]

[Text] Havana, 29 Dec (EFE)—Cuba is the only country that seems ready to accept ousted Panamanian General Manuel Antonio Noriega, former head of the Panamanian government, as the first week of the intervention by

U.S. troops concluded. In statements to the press, Cuban Foreign Minister Isidoro Malmierca reiterated in Havana his government's attitude on the matter, which is favorable toward accepting Noriega on the island.

Cuban Vice Foreign Minister Ricardo Alarcon expressed a similar disposition before Noriega took refuge at the nunciature in Panama. Since other countries that could have granted refuge to the ousted general, such as Spain and Peru, turned down the possibility of accepting him and the Holy See considers him only a temporary guest and not a political refugee, Cuba becomes, from this standpoint, the best possibility for his final destination. This would happen if the negotiations between the Vatican and the United States on Noriega's departure from the nunciature reach an agreement on the matter, since otherwise the Panamanian general may remain a guest of the church for a long time.

When EFE asked the Apostolic Nunciature in Havana, the answer was that the negotiations between the Vatican and the United States are of a reserved nature and that the nunciature in Cuba has not received any information on the case. The nuncio in Cuba, Spanish Monsignor Faustino Sainz, is vacationing in Spain and is not expected to return until 20 January. According to the nunciature, Monsignor Sainz went to the Vatican before going to Spain for reasons unrelated to the situation in Panama, since his trip came before the U.S. intervention.

Panama's diplomatic mission in Havana, still headed by Manuel Orestes Nieto de Icaza, who was appointed by the ousted Noriega regime, did not provide further details to EFE questions. "This is a very delicate matter," Nieto de Icaza said. In the wake of the U.S. intervention on 20 December, he had a very high profile, but now he has returned to more discrete activities.

Within this climate of discretion, Cuban sources queried by EFE expressed their belief Noriega would end up in Havana, chiefly because he has nowhere else to go. However, these same official sources and the people in Cuba have misgivings with regard to the figure of the ousted general, as can be seen since 23 December. "Noriega should have died," Cubans from all tendencies invariably say, since they believe that while his people fought, he sought refuge to save his life, which he owed to the cause of Panamanian nationalism, and to save his own wealth.

This opinion is not unanimous, since experts on the implementation of Cuban policies in Latin America said Noriega remains an important figure and that the reconstruction of nationalism and the struggle against U.S. presence in Panama will be based on the contacts and resources the general still has. Meanwhile, the Cuban Foreign Ministry is involved in intense diplomatic activities to widen the gap that the U.S. intervention has opened between the United States and many Latin American countries.

In this respect, Cuban Foreign Minister Malmierca said that he, together with several Latin American and nonaligned countries outside the region, will today introduce a resolution condemning the United States at the UN General Assembly.

Havana Says U.S. Media 'Controlled and Biased'

FL2912194089 Havana Radio Rebelde Network in Spanish 1800 GMT 29 Dec 89

[Station commentary]

[Text] The U.S. occupying forces did not arrive alone in Panama. They are accompanied by the powerful propaganda machinery of the empire and it is in full operation. The goal is to constantly disinform the public in reference to the true objective of the United States in the isthmian nation while, at the same time, it distracts attention from events that are the center of the problem, such as the shameless invasion and the abominal genocide.

General Noriega was the excuse Washington used before the invasion. We have stated this several times in this commentary section. It was clear that the United States was not trying to capture a man, but to eliminate the patriotic movement that had its roots in the beliefs of Torrijos, dismantle the military commands of the defense force, impose a puppet government at the head of the nation, and eventually modify the canal treaties to perpetuate its military presence in Panama. Their actions have confirmed this.

Gen Noriega continues to be the excuse. Ninety-nine percent of the information received from the media controlled by the United States only refers to the Noriega case, the Apostolic Nunciature, speculations in reference to this matter, or to other related situations.

Some people deliberately dance to the rhythm of this biased and unhealthy propaganda while others just have to swallow it. Nevertheless, Panama's real problem is not Noriega, the nunciature, or well-staged episodes. The problem is in the occupation of that country by the U.S. Army, the invasion, and, especially, the genocide committed against defenseless civilians.

The Pentagon itself very laconically acknowledged the deaths of 500 Panamanians. That is a lie. Independent sources, which are reliable, say that no less than 2,000 civilians died under the Yankee's machine gun fire. With facist ferocity, the U.S. occupying army was brutally used in the brother nation to [word indistinct], assassinate, whip the people, and commit all sorts of misdeeds.

This is what the U.S. machinery is trying to silence and this is what we must denounce, above all, so that the world knows in detail how the super-democratic defenders of human rights behave. The assassination of a people cannot be justified with the capture of a single man.

Ministry Condemns U.S. Action at Ferrey's Home

FL3012204689 Havana Radio Rebelde Network in Spanish 1800 GMT 30 Dec 89

[Text] In reference to the harassment that occurred yesterday afternoon at the home of Nicaraguan Ambassador to Panama Antenor Ferrey, the Cuban Foreign Ministry issued a statement condemning the incident, which it called a vandalic and dishonorable action that included the use of firearms and intimidating measures against the family of the Nicaraguan diplomat.

The statement adds that it is impossible to analyze this situation without taking into account the Yankee soldiers' siege of and hostility against the Apostolic Nunciature, the detention of Cuban diplomats, and the surrounding of other nonaligned and Latin American embassies.

Cuba very clearly reminds authorities in Washington that the areas belonging to the Cuban diplomatic mission in Panama will be defended as an inseparable part of the fatherland.

Radio Rebelde Responds to Plebiscite Request

FL3112010789 Havana Radio Rebelde Network in Spanish 1800 GMT 30 Dec 89

[Station commentary]

[Text] We live amid the scandal of the last Yankee intervention in Latin America, this time against Panama. The excuse used this time was not the protection of U.S. lives, but the hunt for one man. With this objective, the United States unleashed a horde of 30,000 marines that have been savagely unleashed against the Panamanian people.

With this intracontinental misdeed, which they do not even bother to hide with a minimal amount of coherence, the empire has let the world, and especially Latin America, know that the big stick policy has returned, which was only metaphorically expressed during the past few years. There is no way of concealing with a minimal amount of decency this policy of exploitation and crime. The U.S. soldiers enter the scene again. The empire shows its true face and demands, as always, that its Judases accompany it; that is what they are paid for.

The Yankee invasion of Panama is nothing more than an aspect of the same policy that has already demonstrated all its crudeness in this and other continents. This policy is indivisible, just as the system it represents is indivisible. Nevertheless, how many sons of bitches have not even said half a word of condemnation against that criminal deed? Instead, they send open letters against Cuba and its revolution. They demand plebiscites. They denigrate the leaders of the party in the person of Comrade Fidel. In other words, they insult and most deeply hurt the feelings of our noble, working, and combative people.

Why have these miserable opportunists kept silent for more than 3 decades on the brutal Yankee blockade against Cuba? Why have they kept quiet about other multiple aggressions that are as universally known? Why do they not say anything about the momentous achievements of the Cuban revolution in every aspect?

To not waste any more time, we can only tell these filthy imperialist agents that our people, represented by their deputies at the National Assembly of the Peoples Government, have just completed the plebiscite you requested. The socialist nature of our state and the role of our party as a superior leading force for society was reaffirmed there. As much as you may dislike it, nothing will separate us from this road with the commander in chief leading us.

Costa Rica

President Arias Comments on Castro's Isolation

PA2912214089 Hamburg DPA in Spanish 2107 GMT 29 Dec 89

[Text] San Jose, 29 December (DPA)—Costa Rican President Oscar Arias has stated during an interview for "LA NACION" newspaper that Fidel Castro is more isolated everyday.

Arias noted that "I believe Fidel is sort of a Caribbean Kim Il-Song. He (Castro) is a man whose watch stopped in 1959 and he is still in the Sierra Maestra. He has not noticed that we are in 1989."

The president added "Castro's recent signals to the Soviet Union ratify that he does not agree with the economic and political changes or with the revision policy."

"Fidel Castro is a prisoner of the Marxist-Leninist dogmas," said Arias and added that "Gorbachev could tell Castro: I will not give any more petroleum or subsidies."

Endara To Be Recognized When Troops Withdraw

PA0101173290 Paris AFP in Spanish 1511 GMT 1 Jan 90

[Text] San Jose, 1 Jan (AFP)—Costa Rica's recognition of the new Panamanian Government headed by Guillermo Endara will depend on the withdrawal of the U.S. occupation troops, Deputy Foreign Minister Carlos Rivera told the local press today.

Rivera pointed out that, in accordance with the Estrada Doctrine, the Costa Rican Government has so far maintained relations with a state, Panama, but not with the people governing the country.

The deputy foreign minister informed the newspaper LA NACION that support for Endara, who took office following the U.S. invasion on 20 December, depends on the withdrawal of the U.S. troops from occupied areas, which would allow the consolidation of the new government.

Rivera said he has no idea how much time the new Panamanian authorities will require to strengthen their positions.

The deputy foreign minister's position contradicts previous statements by Foreign Minister Rodrigo Madrigal, who said that since diplomatic relations with Panama had not been suspended, the government was tacitly recognizing the new administration.

Rivera announced that the arrival of Jorge Regidor, Costa Rica's new ambassador to Panama, is subject to an in-depth analysis of the situation in the neighboring country, which the Foreign Ministry will carry out beginning tomorrow. "As long as the new government is not expressly recognized by the executive branch," the ambassador will not be sent, he stressed.

UN Ambassador Speaks on Panama Events

PA3012042889 Madrid EFE in Spanish 1822 GMT 29 Dec 89

[Text] United Nations, 29 Dec (EFE)—Costa Rica stated today at the UN General Assembly that its "reaction had been one of regret for the new blow to the inter-American system" resulting from the U.S. intervention in Panama, but it also said that it was "relieved because the nightmare lived by the Panamanian people has ended."

In the debate about the U.S. invasion of Panama, Costa Rican Ambassador Carlos Jose Gutierrez stated that he did not believe the matter should be discussed as part of point 34 on Central America. He said that, although Panama is geographically in Central America, it differs from it in many other aspects.

Gutierrez stressed that "up to now we have discussed our problems without including Panama. This inclusion implies a change and we cannot but be concerned about it."

He also expressed concern because "the present situation goes against the principle of nonintervention," but he noted "that there never was a government with less legitimacy in America than the one presided over by General Manuel Antonio Noriega."

The Costa Rican ambassador recalled that "the tragic and never fully explained disappearance of Omar Torrijos and the fraud that brought Nicolas Ardito Barletta's government to power was followed by the beheading of Hugo Spadafora and the violence against the opposition, and led to the anullment of elections this year."

He added that "the farce was completed last week when General Noriega was designated chief of government, and also when a sate of war was declared between Panama and the United States."

During all this time, the ambassador said, "there could and should have been some hemispheric action to resolve the Panamanian situation in favor of democracy, human rights, and peace." However, he noted that what is important now is not to condemn Panama "but to help it strengthen its independence and reconstruct its institutions."

Panama Returns 300 Nicaraguan 'Undesirables'

PA2912221589 Hamburg DPA in Spanish 2135 GMT 29 Dec 89

[Text] San Jose, 29 Dec (DPA)—About 300 Nicaraguans, who worked for General Noriega, according to the new Panamanian authorities, were transferred from the Costa Rica-Panamanian border to Nicaragua.

It was reported that the Nicaraguans were declared "undesirables" by the new Panamanian Government. Therefore, the Costa Rican Government was asked to serve as a bridge for the transfer.

Antonio Alvarez, Costa Rican Government Minister said, "we expect the Nicaraguan Government to accept them because of political reasons."

It was reported that "most of these Nicaraguans were members of the Dignity Battalions serving Noriega. Some of them were arrested by the new government, which has accused them of committing various crimes."

El Salvador

Cristiani Government Mounts 'Diplomatic Offensive'

PY3112234289 San Salvador EL DIARIO DE HOY in Spanish 29 Dec 89 p 3

[Text] The delegations that participated in a diplomatic offensive promoted by President Alfredo Cristiani have verified and strengthened the full recognition of his government by various governments throughout the world.

These delegations, one of them headed by Minister of the Presidency Colonel Juan Antonio Martinez Varela, have termed the results of their action as "excellent," because they met with sectors at various levels and explained the real situation in El Salvador. They talked with friends and foes, some of them very well informed, others not informed at all.

In the face of the disinformation campaign by the left, the government of President Cristiani organized a diplomatic offensive a little before the Central American summit in San Jose, Costa Rica.

The delegations are made up of government officials, deputies, opposition politicians, private businessmen, workers, and peasants.

The coordinator of the delegation that visited Belgium, the Netherlands, and France has said that the work was exhausting but very fruitful because it was coordinated and planned before the delegation's departure.

There were occasions when the group had to break up because different meetings were scheduled at the same time. On the first working day, there were eight meetings, nine on the second, and five on third day.

The representatives have verified the full recognition of the legitimacy of the current government, the prestige of President Cristiani, and the rejection of the violent methods employed by the Farabundo Marti National Liberation Front [FMLN]. They clearly explained that there is no persecution of the Church or of the union movement in El Salvador.

The representatives were surprised by the fact that union organizations in France, Belgium, and the Netherlands are well informed that the Salvadoran workers, peasants, and the people in general did not join the call for insurrection made by some union leaders who raised themselves in arms upon being unmasked as members of the FMLN.

The representatives explained the murder of the Jesuits and the government efforts to clear up those murders.

The coordinator of the group explained that the best thing that happened during the trip was an event very important for them: The signing of the San Isidro de Coronado Agreement after the meeting of Central American presidents.

According to the San Isidro agreements, the Central American presidents, including Daniel Ortega of Nicaragua, expressed written support for President Cristiani and recognition of the efforts to achieve peace in El Salvador.

The same agreement rejects the methods of the FMLN and urges its members to demobilize and join the democratic process. All the delegations abroad took proper advantage of this situation to strengthen the support for the Salvadoran president.

The spokesman of the group added that another positive point was the fact that in Europe, the people are aware of the role the Salvadoran Armed Forces are playing and of the professionalism with which they confronted the latest terrorist offensive.

A copy of the French newspaper LE FIGARO published several photographs showing several civilians trying to escape the subversive attacks and how the Army protected them.

The delegations that visited these three countries included a minister, the president of an institution, a businessman, a worker who had been a hostage of terrorists in Soyapan during the "offensive to the top," an opposition politician, and a peasant leader whose testimony made a strong impression in Europe.

Mexico Denies Arms Going To FMLN Via Mexico

PY2912201689 San Salvador EL DIARIO DE HOY in Spanish 28 Dec 89 p 3

[Text] Army Chief of Staff Rene Emilio Ponce has stated that the Army has been unable to confirm the alleged arms traffic from Cuba via Mexico for the Farabundo Marti National Liberation Front [FMLN]. Ponce confirmed that the case is being investigated.

This week's reports from Washington state that the U.S. Government was aware that Havana is sending weapons to the FMLN through the Mexican peninsula of Yucatan. The news agencies did not disclose their sources.

The Mexican Government yesterday denied the report and described it as "ridiculous," adding that relations are good over the joint intelligence programs with the United States.

Ponce said that this report looks as if international communism is trying to solve the problem in which Nicaraguan dictator Daniel Ortega is involved, since his support to terrorist groups of the region has been proven.

Ponce pointed out: "We have submitted proof that the Sandinists are the godfathers of the FMLN and the FDR [Revolutionary Democratic Front] terrorists." Ponce said that the FMLN headquarters is in Managua, that the so-called "clandestine radio stations" are operating on the outskirts of Managua, and that "Ortega's supporters are providing Soviet-made weapons."

They are now spreading the rumor throughout the world that the weapons for the Salvadoran terrorists might be arriving through "a new route," that is through the Yucatan, Ponce said.

"This makes one think that, in view of international pressure, they want to spare Ortega from blame," the chief of staff said.

"The situation is now in the hands of military intelligence. The Mexican Government will have the last word on it because—if the charges are proven—it will be very hard to accept that the Mexican territory is being used to provide weapons to the attackers of a brotherly nation," he added

Ponce remembered that spreading rumors is one of the communist strategies through which they have attempted to win several battles at the local and international levels.

Further on Arms Shipments

FL2912175389 Mexico City NOTIMEX in Spanish 0013 GMT 28 Dec 89

[Text] San Salvador, 27 Dec (NOTIMEX)—The shipment of weapons from Cuba to Salvadoran guerrillas through Mexico is a possibility that has not been discarded, a Salvadoran Armed Forces official told NOTIMEX today. Colonel Mauricio Vargas, commander of the 3d Infantry Brigade stationed in the eastern city of San Miguel, said that the shipment of weapons through Mexico does not mean that the government of that country is involved in weapons trafficking from Cuba.

U.S. officials said that Havana ships weapons to the Farabundo Marti National Liberation Front (FMLN) through a land route that begins in the Yucatan Peninsula in Mexico. According to reports from Washington, Cuba has used a Nicaraguan route to ship weapons and it has begun to use a Mexico-Guatemala land route. When the weapons shipments to the FMLN rebels were seized in Honduras after they were sent through Managua, Cuba changed its route to the Yucatan Peninsula.

We know that the Mexico-Guatemala land route is as likely to be used as the Nicaragua-Honduras route, but this does not mean that the Mexican Government is involved, said the military chief of one of the most war-torn regions in El Salvador.

Colonel Ponce Condemns Terrorist Truce Stratagem

PY2912214189 San Salvador EL DIARIO DE HOY in Spanish 29 Dec 89 pp 3, 33

[Excerpts] Colonel Rene Emilio Ponce, Chief of the Armed Forces Joint Staff, has stated that the announcements of truce and negotiations are old communist tricks to strengthen its lines when they feel exhausted or practically defeated.

In an exclusive interview granted to EL DIARIO DE HOY, Col Ponce said that those tricks are part of the terrorists' stratagem, and that the people should not listen to the spokesmen of the FMLN-FDR [Farabundo Marti National Liberation Front-Revolutionary Democratic Front] when they call for "dialogue and negotiations" among other things.

Col Ponce was referring "to the truce" announced by the leaders of the FMLN-FDR in Managua, and added that in El Salvador this truce has not been fulfilled by the terrorist's rank and file, who continue with their attacks in the interior of the country.

The chief of the joint staff said that the terrorists have stopped operating in the capital, possibly discouraged by the popular rejection they experienced during the recent "offensive to the top."

Col Ponce added that the Armed Forces has no official information on the so-called "Christmas truce" by the FMLN-FDR, because this organization has been outlawed and as such has no power to declare a truce.

He added that the Army cannot admit a truce because it is not attacking anyone, but is only protecting the Salvadoran people. [passage omitted]

Col Ponce called these and other maneuvers old terrorist tricks that some people have not yet managed to understand. He said that some media, perhaps because they are not aware of the communist stratagem, play the game of the terrorists, broadcasting their complaints—yet they abstain from complaining against the FMLN-FDR, which is the direct cause of this destruction.

He added that those media apparently do not criticize the terrorists, perhaps out of fear of the FMLN-FDR death squads, or perhaps because of ignorance, although this is hard to believe. He added that although painful to admit, it is possible that some media are operating "in complicity" with terrorism.

He recalled that since the FMLN-FDR terrorists called a truce, several attacks have been recorded in the interior of the country, which shows the clear intention of the rank and file of not obeying their leaders. These leaders, Ponce said, cannot control the groups that are not aware of the strategies ordered from Havana and Managua.

Col Ponce also said that it is appropriate to mention the important role played by all military units during the so-called "offensive."

The high command is preparing an act of recognition for the different units that have played an outstanding role during the past "offensive," as a public recognition of the heroic action of the Salvadoran soldier who, showing very high morale, has sacrificed himself for democracy and for a government elected by the people.

Ponce said that recently he visited several military units where he found very high morale among the chiefs, officers, and troops. "In all those units we heard that action was necessary now to defeat communism so that we would not lament afterwards over what we did not do when we had the chance," he said.

Attacks of 11 Nov Reportedly Planned at University

PY3012161789 San Salvador EL DIARIO DE HOY in Spanish 29 Dec 89

[Text] Vinicio Penate, president of the General Association of Salvadoran University Students (AGEUS), has told authorities that troop training and planning for the 11 November terrorist attack was carried out at the National University.

The National Police have reported that Penate, who is also a leader of the Nationalist Democratic Union (UDN), admitted in his statements to police to being a member of the leftist groups led by the FMLN-FDR [Farabundo Marti National Liberation Front-Revolutionary Democratic Front]. These groups are responsible for the destruction of the northern sector of the capital during the attack.

The source said that Penate told the police that meetings to prepare the attack, and to collect weapons and supplies for the groups that tried to take over the capital, were carried out in the National University compound with the support of AGEUS.

Penate was arrested after investigations that included statements by FMLN and FDR members stating that some universities were used to train peasants, most of them children, in handling weapons, the police said.

The source added that Penate also reported that foreign aid intended for "programs benefiting the Salvadoran people" was used to support leftist groups and to prepare attacks like the one carried out on 11 November.

Guerrilla Casualties, Arms Seizures Since 11 Nov

PY3012232489 San Salvador EL DIARIO DE HOY in Spanish 30 Dec 89 p 4

[Text] According to records kept by the Armed Forces Joint Staff, 2,355 terrorists of the Farabundo Marti National Liberation Front [FMLN] and of the Revolutionary Democratic Front [FDR] have died and 1,500 have been wounded since 11 November, the date on which the FMLN-FDR began their "all-out offensive."

This casualty figure is three times higher than the figure provided by the FMLN-FDR spokesmen who said that only 420 terrorists and 11 "commanders" fell to the Armed Forces.

The Army report states that 63 FMLN-FDR members have deserted from their organizations and have reported to various garrisons to turn in their arms and provide information.

The Armed Forces have seized 25 ground-to-air missiles, 1,000 Soviet-made AK-47 rifles, and M-16, G-3, and Dragonov rifles, among others. They also seized 20 shotguns of various calibers, 177 grenade launchers, 50 mortars, 50 machine guns, 45 submachine guns, 39 radio communications sets, 77 short-range guns, among them pistols and revolvers. Also confiscated were many documents which prove that the weapons and ammunition were brought from Nicaragua and Cuba and that the AK-47 rounds were manufactured in Cuba.

According to military sources, some 300,000 rounds of ammunition were confiscated from 11 November to date.

FMLN Accused of Kidnapping Peasants

PY3012204089 San Salvador LA PRENSA GRAFICA in Spanish 29 Dec 89 p 3

[Text] On 28 December, the 3d Brigade reported that terrorist groups have kidnapped 50 civilians, including men and women of various ages, in Chirilagua and San Miguel.

The 3d Brigade commander has said that those kidnapped are very poor people who depend exclusively on their work to support themselves and their relatives, for which reason this terrorist action can be described as serious.

This massive kidnapping, the source said, is one of several cases in which the victims are very poor peasants, who are then compelled with death threats to struggle against the Army.

Despite the fact that formal charges are continuously filed with organizations that claim to defend human rights, the terrorist groups continue to kidnap people. Thus far, they have not been punished for having violated the civil rights of those kidnapped.

Finally, Colonel Mauricio Ernesto Vargas, commander of the 3d Infantry Brigade headquartered in San Miguel, condemned this new crime and said that Farabundo Marti National Liberation Front [FMLN] communist groups are compelled to commit these reprehensible crimes because the people do not sympathize with them at all.

Attorney General Requests Investigation of Bishops

PA3012062389 Panama City ACAN in Spanish 0452 GMT 30 Dec 89

[Text] San Salvador, 29 Dec (ACAN-EFE)—Salvadoran Attorney General Mauricio Eduardo Colorado has asked the Salvadoran Episcopal Conference to "investigate and study" the roles being played by Archbishop Arturo Rivera y Damas and Salvadoran Auxiliary Bishop Gregorio Rosa Chavez.

In a long letter addressed to the Episcopal Conference, to which ACAN-EFE had access today, the attorney general states that "some attitudes and statements by the two bishops have placed them in the political opposition...a nonreligious role not within their jurisdiction."

Colorado stressed the "existing conjunction between the subversive political propaganda of the FMLN (Farabundo Marti National Liberation Front) and the statements of the archbishop in regard to the topic of persecution of the church and the inconsistent reports issued by the Legal Aid Office," a humanitarian organization of the Catholic Church.

"The criticism of the Armed Forces' defense action (during the recent rebel offensive), their disagreement with the electoral process, the government's actions, and the government's intervention in the case of the Jesuit priests forces me to request and for you to talk over, investigate, and analyze the role of our two brothers in Christ," the attorney general adds.

The attorney general, who noted the government's willingness to investigate the deaths of the six Jesuit priests, criticized the two clergymen who by their statements involve "members" of the Armed Forces in the crime.

Ignacio Ellacuria, rector of the Central American University, five other Jesuit priests, and two women were murdered by persons wearing military uniforms on the morning of 16 November. At the time of the killings, an all- night curfew was in force throughout El Salvador.

"The two priests are not investigators or district attorneys," Mauricio Colorado warned. The attorney general has also accused Maria Julia Hernandez, director of the Legal Aid Office, of meddling in the investigations; she "is not an appropriate authority and has no right or duty."

Colorado, appointed attorney general after Roberto Garcia Alvarado was killed, has criticized Rivera y Damas for not condemning the FMLN's sabotage as harshly as he did the Armed Forces' bombing during the guerrilla offensive launched on 11 November.

"If the people do not support the FMLN, then why do Msgr Rivera y Damas and Msgr Rosa Chavez give the impression that they do," the letter dated 26 December asks.

"As far as the FMLN is concerned, the two bishops are excellent mediators," the attorney general states when recalling the role played by the two clergymen in past talks held between the government and the guerrillas since 1984.

"What have we achieved through their mediation," Colorado asks and responds: "War, death, violence, injustice, and more war."

Murdered Jesuits 'Not Neomarxists'

PY2912223489 San Salvador LA PRENSA GRAFICA in Spanish 28 Dec 89 p 30

[Text] Father Jose Maria Tojeira S.J. [Society of Jesus], the Jesuit Provincial spokesman for Central America, has released a note denying inexact reports on the case of the murdered Jesuit priests. He said that they not were Marxist guerrilla sympathizers.

The note reads as follows:
23 December 1989
Prov. 264/89
Director Dutriz
Director of LA PRENSA GRAFICA
San Salvador

Dear Mr.Director:

The newspaper you direct, on 21 December 1989, published on pages 6 and 7 two articles on the six Jesuit priests that were murdered on 16 November. These articles are written in such a way that they distort the reality of the case or they incorrectly describe the activity of the Society of Jesus.

On page 6 an article entitled "Fratricidal Struggle," which is signed by Mr. Luis Pazos, says that "the priests were Marxist guerrilla sympathizers" and that the university in which they work "is known in El Salvador as an intellectual center for guerrillas."

The article speaks of "these priests' neomarxist-philosophical position which is contrary to Christian doctrine."

I wish to state that:

1. The murdered priests were not sympathizers of the Marxist guerrillas. They only tried to talk with the different sectors in conflict in El Salvador, seeking to mediate in an effort to find peace with justice.

2. Perhaps some people in El Salvador consider the UCA [Central American University] as an intellectual center for guerrillas, but there are also many people who think that the UCA courageously follows the Church's Social Doctrine. This statement, if made without the reservation that it only represents the views of a group of people and the fact that the article forgets to mention the many others who do not believe, is in our opinion a manipulation of the truth.

3. The position of the priests was not "neomarxist" in the philosophical field. Father Ellacuria came from the school of the Spanish philosopher Zubiri, whose

thoughts were deeply rooted in Christian philosophy. Father Amando Lopez wrote his doctoral thesis on the Spanish philosopher and priest Amor Ruibal. The "Zubirian" inclination of Father Ellacuria was internationally known in most philosophical schools. Those who accuse the murdered priests of having neomarxist philosophical positions are publicly acknowledging their ignorance.

4. Statements such as these, which were repeated in other media before the murder of the priests, partly promoted their murder. We, therefore, consider their repetition to be a very serious matter.

On page 7, and in an editorial article, the newspaper mentions the need to avoid "the damage caused by private pseudo-investigations, wherever they might come from." On this statement, I want to simply add that in a case like this the injured party has every right, both in El Salvador and in any other part of the world, to conduct its own private investigation. Furthermore, unless publicly and irrefutably proven harmful, no one has the right to condemn it "in advance" saying that it is playing detectives.

I beg of you Mr. Director, based on the right to reply and the justice that the murdered Jesuits and those who believe in them deserve, that you publish this clarification in your newspaper with the same desire to reach your readers as those who wrote the articles.
Yours truly.
Father Jose Maria Tojeira
Society of Jesus Provincial."

Villamariona Replaces Bustillo as Air Force Chief

PA0101185190 Paris AFP in Spanish 1812 GMT 1 Jan 90

[Text] San Salvador, 1 Jan (AFP)—General Juan Rafael Bustillo, commander in chief of the Salvadoran Air Force, retired today and was replaced by his closest assistant, General Rafael Antonio Villamariona.

The replacement of Bustillo, who has been regarded as one of the main figures in the counterinsurgency struggle since he assumed office as Air Force chief in 1979, is included in the Army's general changes schedule for January.

According to the schedule, Colonel Joaquin Cerna, formerly third in command of the Joint Staff, has been transferred to a public administration position and is being replaced by Colonel Roman Barrera, formerly chief of the Artillery Brigade.

Staff Colonel Carlos Armando Aviles has been appointed Navy attache in Washington. He has been replaced by Colonel Julio Cesar Grijalva.

Until late in the year, Grijalva was commander of the 3d Detachment in La Union, a department in the country's easternmost section, where he will be replaced by Colonel Nelson Ivan Lopez.

The commanders of the counterinsurgency battalions and those of brigades will not be changed.

Bomb Explodes at Missionary's House; No Injuries

PY3012170089 San Salvador DIARIO LATINO in Spanish 28 Dec 89 p 1

[Text] Unknown individuals planted a bomb outside a foreign evangelical missionary's house in Colonia Yumuri last night. No casualties have been reported.

Lazel Ruth Browning, a citizen of New Zealand, lives at the house. She is an English teacher who has been living legally in the country for over 15 years.

According to the report, the criminals planted the bomb at the door at approximately 2100. The explosion shattered the windows and damaged the missionary's car and garage.

The missionary condemned the attack and said that she did not know the reasons behind it. She said that just teaches English and does not belong to any humanitarian organization that helps poor people in El Salvador. "I do not know the reasons for the attack at all," she said. "I have lived in the country for 15 years and I have never had problems," she added.

"They probably made the attack thinking that I was a U.S. citizen who worked with poor people, she said, adding that a National Police commission went to her house last night to check the place and to begin investigations. [no closing quotation mark as published]

Curfew Suspended for New Year Celebrations

PY2912162389 San Salvador EL DIARIO DE HOY in Spanish 28 Dec 89 p 3

[Text] The Armed Forces High Command has announced that the curfew will be suspended for the night of 31 December.

Military spokesmen have reported that a decision has been made to suspend the curfew on the evening of 31 December until dawn on 1 January, taking into account the Salvadoran people's traditional celebration of this date.

The suspension of the curfew was announced at the Defense Ministry yesterday. It was also reported that the Army will deploy troops to guarantee the tranquillity of Salvadorans.

The curfew was instituted on 12 November to counter attacks by the Farabundo Marti National Liberation Front and Revolutionary Democratic Front terrorists against the Salvadoran people and to prevent criminals from wandering the streets at night.

There were no major incidents through the night of 24 December when the curfew was suspended as a special concession.

Guatemala

Government Will Recognize Panamanian Government

PA3012184189 Panama City ACAN in Spanish 1752 GMT 30 Dec 89

[Text] Guatemala City, 30 Dec (ACAN-EFE)—Guatemala will recognize the new Panamanian Government headed by Guillermo Endara in January, "when that government is consolidated and assumes its corresponding role," Presidential Spokeswoman Claudia Arenas said today.

Arenas noted that although it has not officially recognized the new Panamanian Government, "Guatemala upholds its policy of maintaining relations with states and peoples and not with governments." (Estrada Doctrine).

The recognition of Endara's government will be automatic "once it is consolidated," Arenas stressed.

Carpio 'Pleased' With Noriega's Downfall

PY2912220289 Guatemala City Teleonce Television in Spanish 0400 GMT 29 Dec 89

[Text] Guatemala's formal recognition of the new Panamanian Government headed by Guillermo Endara is imminent, although diplomatic relations between the two countries were never severed.

This information was leaked from official circles in this capital this afternoon.

In support of this assessment, Guatemalan Vice President Roberto Carpio Nicolle has expressed his satisfaction over the downfall of General Manuel Antonio Noriega's regime.

[Begin Carpio recording] The Panamanian events are very regrettable. Personally, I am very pleased with Noriega's downfall.[passage indistinct] [end recording]

National Defense Chief of Staff Callejas Retires

PY2912122389 Guatemala City EL GRAFICO in Spanish 28 Dec 89 p 4

[Summary] Defense Minister General Hector Alejandro Gramajo has issued invitations to a ceremony that will bid farewell to General Manuel Antonio Callejas y Callejas, the national defense chief of staff, who has retired. The ceremony will be held tomorrow at 1100 at the San Juan Zacatepec Polytechnical School.

Bolanos To Be National Defense Chief of Staff

PY2912220889 Guatemala City Teleonce Television in Spanish 0400 GMT 29 Dec 89

[Summary] General Manuel Antonio Callejas y Callejas will go into retirement on 29 December. This involves resigning from the post of National Defense chief of staff, which he has held for several years. Brigadier General Juan Leonel Bolanos Chavez will be installed as National Defense chief of staff in a ceremony scheduled for 29 December at the San Juan Zacatepec Polytechnic School.

Possibility of UCN-MLN Coalition Denied

PY2912123789 Guatemala City PRENSA LIBRE in Spanish 28 Dec 89 p 12

[Excerpt] Deputy Edmond Mulet, the UCN [National Centrist Union] bloc leader in Congress, has officially ruled out the possibility of a political-electoral alliance between the UCN and the MLN [National Liberation Movement], as has been reported in the past few days.

The UCN has officially declared that the information supplied by a politician from a third party on a possible alliance between the UCN and the MLN is untrue, Congressman Mulet stressed.

The UCN, Mulet added, has held talks with all political groups to form a government of salvation and national unity for the next term. However, the only person we did not hold any talks with is MLN Secretary General Mario Sandoval Alarcon, Mulet said.

At any rate, the deputy emphasized, the UCN has not considered the possibility of forming alliances or political coalitions with any party. Therefore, any alliance or electoral coalition has been ruled out, he said. [passage omitted]

3 Cabinet Ministers Resign To Join Campaign

PA2912222889 Panama City ACAN in Spanish 2142 GMT 12 Dec 89

[Text] Guatemala, 29 Dec (ACAN - EFE)—Government spokeswoman Claudia Arenas confirmed today that the ministers of specific affairs, communications, and culture, have presented their resignations to President Vinicio Cerezo and will devote themselves to the political campaign.

Arenas quoted the three ministers as having said that in January they will be campaigning because in November 1990 general elections will be held in Guatemala to elect Cerezo's successor, congressional deputies, and other authorities.

The government spokeswoman explained that Specific Affairs Minister Sara Mishaan will be replaced by her current Deputy Minister Carlos Menegazo. Communications Minister Mario Lopez will be replaced by Deputy Minister Cipriano Mendizabal, and Culture and Sports Minister Ana Isabel Prera will be replaced by Marta Regina.

Arenas said that the three ministers' resignation's will be effective on 15 January. She also announced that President Cerezo has confirmed Raul Castaneda as Energy and Mines Minister. Castaneda had been acting minister since Roland Castillo resigned because he disagreed with the government's decision to increase the prices of oil by-products.

URNG Advertisement on San Isidro Declaration

PY3012020089 Guatemala City EL GRAFICO in Spanish 29 Dec 89 p 13

[Paid advertisement: "Guatemalan National Revolutionary Unity Statement Concerning the 'Joint Declaration of San Isidro de Coronado' Signed by Central American Presidents"]

[Text] 1. The General Command of the Guatemalan National Revolutionary Unity—URNG—hereby expresses its dissatisfaction, concern, and surprise over the condemnation of the revolutionary struggles and the comparison made between the revolutionary struggles and terrorist actions.

In the case of Guatemala, armed revolutionary actions reflect the true hopes of our people. To condemn these actions is to strengthen repressive policies and state terrorism, especially now that the specter of the revolutionary threat is being raised to pave the way for the conspiracy of counterrevolution and U.S. interventionism.

2. In the countries where there are militarized, antipopular, and antidemocratic regimes, where there is no room for political participation, and where there is an overwhelming economic and social crisis, the people's only option to achieve their political, economic, and social demands is to struggle against exploitation, oppression, and governmental terrorism.

3. It is unacceptable for the declaration to include a resolution point supporting the government of Alfredo Cristiani, which is marked by flagrant and shameful human rights violations, a fact that has provoked its national and international isolation. This support involves very serious implications for democratic life in Central America as it stimulates the new right sectors that intend to maintain the most oppressive regimes, endorses the continuous and systematic violation of the most basic human rights, and perpetuates dependence and backwardness.

4. We believe that the FMLN [Farabundo Marti National Liberation Front] proposal for negotiations is correct. Only when Cristiani's government and the Army begin to enter a process of serious and just negotiations will there be a political solution to the war. We fully support the struggle of the fraternal Salvadoran people, led by their vanguard, the FMLN. We hail the heroic effort of their combatants in the historical quest they have been pursuing in combat and in great battles. We are totally certain that, regardless of the obstacles and the enemies to be fought, the FMLN, along with its people, will defeat them and will achieve victory.

5. In the Costa Rican summit, the particularities, historical roots, and the proper solution to the conflicts were not taken into account. A symmetrical and mechanical approach was taken, with which we disagree.

6. The URNG considers that it is up to us, Central Americans, to resolve our own problems in keeping with the interests of every nation. We view favorably the mediation and good offices of governments and institutions that help find solutions to the problems. We strongly reject, however, the intervention of foreign interests. No reference is made on this point in the San Isidro declaration.

7. We are guided by the Esquipulas II and Tela agreements. It is proper to demobilize the contras, to leave Nicaragua in peace so that the elections are held freely and economic measures are taken for the benefit of the people. The governments and armies of El Salvador and Guatemala must cease their state terrorism and begin serious talks with the FMLN and URNG, respectively, in order to find a political solution to the internal armed conflicts and to begin realistic democratic processes.

8. It is necessary for the Guatemalan Government and the Guatemalan Army to recognize the internal armed conflict and to immediately begin talks with the URNG. This will be the only way to find a solution to the situation in Guatemala and to prevent Guatemala from falling headlong into a social conflict with much more painful and unpredictable results. We reaffirm our willingness and firm decision to achieve peace and democracy in the country.

9. As long as this very difficult situation is not resolved in this way, our people's struggle will continue, and we will not withdraw from it, as its historical roots and the righteousness of its cause give it full legitimacy and effectiveness. No foreign factor will stop us from continuing our struggle until achieving a free and democratic Guatemala.

URNG General Command.

Commander Rolando Moran, Commander (Gaspar Ilon), Commander (Pablo Monsantos), Comrade Carlos Gonzalez.

Guatemala, 15 December 1989.

Honduras

Azcona: No Recognition of Endara Government Yet

PA3012022389 Hamburg DPA in Spanish 0057 GMT 30 Dec 89

[Text] Tegucigalpa, 29 Dec (DPA)—Honduras today suggested that the U.S. troops who occupy Panama be replaced by OAS troops as soon as possible, and announced that it will not recognize Guillermo Endara's new government for the time being.

President Jose Azcona Hoyo today told the media at the presidential palace that he maintains his position, meaning that order can be restored in Panama by replacing the U.S. troops who invaded the country on 20 December with OAS forces.

He also said that the Endara government, installed by the occupation troops, will not be recognized; and that the government will first wait until the irregular situation in Panama ends.

He said that one of the irregularities is the U.S. troops' arrest of Lazaro Mora, Cuban ambassador to Panama, for some hours. He suggested a search for a political solution through elections.

The Honduran president termed "ridiculous" the U.S. troops' action of playing rock music through loudspeakers placed around the Apostolic Nunciature in Panama, where former Panamanian strongman Manuel Antonio Noriega is staying—reportedly to prevent him from sleeping—and of surrounding the mission with armored personnel carriers.

Referring to the Vatican and the position assumed by the United States concerning the temporary asylum granted to Noriega, Azcona Hoyo said that the Vatican is strong and cannot be pressured. He predicted that Pope John Paul II will not order that Noriega be turned over to Washington.

The president said that the U.S. decision to apply psychological and diplomatic pressure "is a pretense that will lead to nothing—it will only erode the U.S. image."

President Azcona's Year-End Address to the Nation

PY0101183890 Tegucigalpa Televisora Hondurena in Spanish 0105 GMT 1 Jan 90

[Speech by President Jose Azcona Hoyo; date and place not given—live or recorded]

[Excerpts] Countrymen: Now that the new year is just moments away, we appear before the nation, as we have done in the previous years of our administration, to express our most sincere wishes for the personal well-being of all Honduran people. Our greatest wish is for each individual in the nation, without exception, to enjoy well-being and peace at home. We can affirm that during our tenure we have constantly striven toward the higher goals of collective progress and well-being in the specific situations we have faced during these 4 years of government—situations that are natural to a developing country like ours.

On 25 January 1990 we will present to Congress a report summing up the achievements made during our administration. Thus, all the people will be truthfully informed of our accomplishments and of the projects that have been undertaken so that the Honduran people can develop material and social conditions in accordance with the historical evolution to which we aspire, both as individuals and as a state. [passage omitted]

We have expressed our desire for peace at six Central American summits, where we defended the democratic processes and condemned any form of totalitarianism as well as the terrorist actions that have caused many deaths and brought sorrow to the Central American people.

I am proud to say that the Tela summit has contributed to the search for peace and democracy in Central America, especially in those countries plagued by violence.

We have always maintained that great sacrifices are necessary if we are to make social progress, and we have constantly worked to establish the necessary conditions for the country's development.

Our achievements are lasting and have given the country better prospects for the future. That has been our main objective. We did not resort to demagoguery, and we spoke the truth—during the electoral campaign and later as the leader of the nation's destiny—so as not to create false expectations among the people. [passage omitted]

I want to reassert that once I step down from the Presidency, I will continue from the private sector to strive for the unity of the Honduran people so that with effort and work we may improve our living standards. [passage omitted]

Finally I want to express my sincere desire for success—for the well-being of the fatherland—to Rafael Leonardo Callejas Romero, who will take office as president on 27 January 1990. Thank you very much.

Nicaragua

Reaction to Troops at Ambassadorial Residence

Ortega Gives Address; Expels U.S. Diplomats

PA3012054689 Managua Domestic Service in Spanish 0439 GMT 30 Dec 89

[Address to the nation by President Daniel Ortega; place not given—live]

[Text] Good evening, Nicaraguan brothers. Today, at 1630 Nicaraguan time, 1730 Panamanian time, U.S. occupation troops—with M-113 armored vehicles and Hummers—surrounded the Nicaraguan ambassador's residence in Panama City. Using loud speakers, they called on the residents of the neighborhood to evacuate their homes and called out to those who were inside the Nicaraguan ambassador to Panama's residence to come out with their hands in the air. When the comrades who were at the residence answered that this was a diplomatic residence—the home of the Nicaraguan ambassador to Panama—the U.S. soldiers began firing shots in the air. They fired shots on three different occasions. They fired shots over the roof of the residence. The comrades at the residence called Ambassador Antenor Ferrey who, following specific orders issued by me over the telephone, was at the Nicaraguan Embassy in Panama.

Ambassador Ferrey has been at the embassy since 20 December when the U.S. invasion was launched. I had instructed Comrade Ferrey to stay at the embassy and draft a defense plan for it because, from the very moment the U.S. invasion was launched, U.S. troops surrounded the Nicaraguan Embassy in Panama. Comrade Ferrey immediately went to the embassy and drafted a defense plan to keep the U.S. troops from entering that piece of Nicaraguan territory. The ambassador has been ordered to hold that piece of Nicaraguan territory and not to allow U.S. troops to enter it.

When Ambassador Ferrey learned that U.S. troops had surrounded the residence, the house where he lives—the embassy is where he is when he is working—he immediately went to the residence. He arrived at the residence at 1650. This means that the Yankee troops surrounded the ambassador's home at 1630, and at 1650 the ambassador was standing in front of the residence arguing with the Yankee troops and telling them that they were making a mistake by trying to enter the residence by force because this violated international agreements and that there was no reason for U.S. troops to enter the home of an ambassador.

Ambassador Antenor Ferrey continued to argue with the U.S. soldiers for over an hour, and Comrade Ferrey even demanded that the U.S. troops check with their superiors because the soldiers kept insisting that they were going to go in. After the comrade ambassador identified himself, and showed the Nicaraguan seal on a wall of the residence, he asked that he be allowed to talk to the U.S. representative in Panama. All this was denied by the leader of the U.S. troops, a colonel, who continued to threaten to enter the ambassador's home.

The response given by the Yankees was aggressive and arrogant. They said that one way or another they would enter the residence. In other words, there was more than enough time for the U.S. troops to know that this was the home of a diplomat; therefore, they had no right to enter it, just like they have no right to be occupying Panamanian territory. But the ambassador's words went unheard and in the end the U.S. troops entered the residence by force, going right through the ambassador. The ambassador tried to stop the soldiers.

He was unarmed at the time. There was another comrade inside the embassy....[corrects himself] there were other comrades, men and women, in the embassy and they were trampled and mistreated by the North Americans. The comrades acted with great dignity and firmness in the face of the U.S. troops' abusive and arrogant attitude. There were angry discussions between the ambassador, the personnel in the residence, and the U.S. troops—which entered precisely at 1818. In other words, the U.S. troops surrounded the premises at 1630; and engaged in a discussion between 1650 and 1817 with our comrade ambassador.

Meanwhile, we made a number of political and diplomatic contacts. Foreign Minister Miguel D'Escoto made the corresponding contacts with the U.S. Embassy representative in Managua, Mr Leonard. Contacts were also made with foreign ministries of other Latin American countries and the Spanish Foreign Ministry. We also contacted the Mexican Foreign Ministry, the president of Venezuela, the OAS Secretary General, and the UN Secretary General. In other words, we immediately made a number of political and diplomatic contacts.

In fact, even before the U.S. troops entered the ambassador's residence, Washington—meaning the U.S. Department of State—knew about the Latin American and European foreign ministries' concern. They clearly stated their concern given the threat that prevailed over the Nicaraguan ambassador's residence in Panama.

The protests and demands sent to the U.S. Department of State at international level were not enough to control the undisciplined U.S. troops who threatened to enter the Nicaraguan ambassador's residence in Panama. The U.S. troops eventually penetrated, like I explained, and searched the residence. The Yankee soldiers even stole more than $2,000; others took some bags and suitcases containing clothes and shoes. This was clearly an act of vandalism.

The Yankee troops not only invaded that portion of Nicaraguan territory, meaning the Nicaraguan ambassador's residence in Panama; they also stole money, clothes, and shoes like common criminals. This provoked the protest of our comrades and the ambassador, who witnessed this act of vandalism and invasion of the U.S. troops in that portion of Nicaraguan territory. They even hit some of the female comrades who were in the residence who protested the brutal way in which the Yankee troops were acting.

They eventually withdrew from the premises at approximately 2007. We have yet to receive a clear and official explanation from the U.S. Government, but it is clear that this is an action which violates international law. This has not only endangered the safety of the comrade ambassador and the comrades at the Nicaraguan ambassador's residence in Panama, it also endangered the Nicaraguan people's safety because we have been on the verge of a major outbreak in the political and military sector with the United States—which has maintained an aggressive and interventionist policy against Latin American peoples, and recently launched a brutal invasion against the Panamanian people.

The United States arrogantly launches actions of this nature and provokes a reaction at international level. The United States has assumed an attitude toward the headquarters of the Vatican's Embassy in Panama, thus adopting an aggressive and arrogant behavior that has resulted in this situation this evening in Panama City.

The Nicaraguan Government, acting in a responsible and energetic manner, cannot allow this outrageous action by the U.S. Government against the Nicaraguan Government and people to go by. I believe the situation is very delicate, that the Nicaraguan people are first in line with regard to the threat of a U.S. invasion of Latin America.

This threat of an invasion against the Latin American people is underscored by the presence of the U.S. troops in Panama. As long as the U.S. troops occupy Panamanian territory, the security of the Latin American people is in jeopardy, especially the Nicaraguan people's security. This is why on 20 December, when the Yankees invaded the Panamanian people, I declared a national state of alert—placing the Sandinist People's Army, the Interior Ministry, and the Nicaraguan state apparatus in a state of combat readiness. It is for this reason also that the Defense Ministry issued a communique with precise instructions to confront and repel an eventual U.S. intervention in our country.

We cannot be trusting, we must be prepared to defend Nicaragua's sovereignty in order to defend the democratic process that began with the revolutionary triumph on 19 July 1979, to defend the accomplishments which, thanks to the Sandinist National Liberation Front, the Nicaraguan people have achieved: Justice in favor of democracy in the economic, political, and social fields, which are threatened by the U.S. Government's terrorist policy. It was not enough for the United States to employ mercenary forces, or to block and mine our ports and launch all types of attacks. It also threatens constantly to use its force in what would be an invasion against national territory.

The Yankees have not failed to invade Nicaragua out of the goodness of their hearts, but because they know that in Nicaragua they would confront an entire people, the resistance of an entire people, and they would be defeated. I can assert this with great conviction. This is the only reason that has made the Yankees desist from intervening in Nicaragua. With the intervention in Panama, the most warmongering sectors in the United States logically feel encouraged to say, well, we have invaded and crushed Panama, let us now go against Nicaragua. It was and is important for our defense capabilities to be deployed and that our people not drop their guard so that the enemy will not be deceived into making the mistake of intervening in our country.

In other words, when I establish a national alert, it is in anticipation of an intervention, in preparation for a confrontation, and to defeat that intervention, and also so that the Yankees will not make the mistake of intervening in our country. If the Yankees have not intervened in Nicaragua—I repeat—it is because they know that they will be defeated in Nicaragua. We must remind the Yankees that all of the Nicaraguan people are willing to defend the fatherland's sovereignty, integrity, and dignity.

The entire population is willing to raise the red and black flag to defend the fatherland's blue and white flag. Thus, the validity of the communique that was issued stands—a communique that has been questioned by those who feel they were alluded to. The communique clearly calls for vigorous action against invaders, traitors, and turncoats. The traitors and turncoats must, of course, worry. Those who are willing to take up weapons to defend our sovereignty against a Yankee intervention or aggression have no reason to worry. A line has clearly been drawn between the border that defends Nicaragua's sovereignty and the border that favors an intervention, an aggression, the trampling of Nicaragua's sovereignty and territorial integrity.

There are right-wing, proimperialist, prointerventionist sectors in our country who have refused to condemn the Yankee invasion. These people are grouped in the so-called National Opposition Union, which has issued a communique that makes no reference to the U.S. aggression or to the harm the United States has done to Nicaragua, not just now but for a great many years. These are people who have no dignity as Nicaraguans, people who do not think like Nicaraguans, and have even refused to condemn the Yankee government for the obstacles it has placed in the way for the departure of the Nicaraguans who were trapped in Panama at the time of the U.S. invasion. It is by their deeds that the people are judging people in Nicaragua who behave a certain way.

The measures we have taken are elementary in defending the fatherland. They are elementary measures to defend our national dignity. Given the U.S. offense to our country's integrity, given this condemnable action, this outrageous action of the yankee policy against our country, I am adopting the decision to expel, on behalf of the Nicaraguan Government and people, 20 diplomatic officials of the U.S. Embassy in Nicaragua. They will be given a 72-hour deadline to leave our territory. The names of these 20 U.S. diplomatic officials of the U.S. Embassy who must abandon our territory within a 72-hour deadline will be revealed in the next few hours. Likewise I am ordering, through the Nicaraguan Foreign Ministry, the reduction of the administrative and service personnel in the U.S. Embassy. In other words, I am ordering a reduction, to use the term most known in our country, of the service and administrative personnel at the Yankee embassy in Nicaragua. They presently have a total of 320 persons carrying out administrative and services tasks. They will be left with only 100 people, as 220 will be reduced from the administrative and services personnel in the Yankee embassy in Nicaragua. Only 100 persons will be able to work in administrative and service tasks in that embassy. Also, 20 U.S. diplomats of the Yankee embassy will be expelled and will have a 72-hour deadline to leave our country.

At this time, we are really going through tragic times for Latin American and Caribbean countries and for world peace due to the U.S. troops' brutal actions when they invaded Panama. They have not only invaded Panama, but Nicaraguan territory has also been invaded when they entered the residence of the Nicaraguan ambassador to Panama. The U.S. troops have also acted against other embassies in that country. They have mounted a place from where they constantly besiege the Vatican, the Holy See's representation in Panama, with actions that are truly insolent and violate the diplomatic personnel's human rights, as well as that of all the persons living in the diplomatic mission and in the surrounding areas. They are acting with insolence and a Rambo mentality.

The Yankees are acting as barbarians in Latin America, but we are not going to allow Nicaraguan territory to be besieged by Yankee troops so casually. We will not allow our country's sovereignty to be undermined and are willing to firmly respond in whatever terrain the Yankees choose as they are the ones who are taking an aggressive policy against the Latin American nations. We are willing to respond in whatever terrain they choose, but we are not going to allow the Yankees to undermine the sovereignty and integrity of Nicaragua and with it, the sovereignty and integrity of all the Latin American nations. Tonight, I have made diplomatic contacts and we encountered international solidarity and widespread rejection for the U.S. Government's arrogant and aggressive policy.

These are very difficult times. Nicaraguans and Latin Americans should have had a more peaceful end of the year, Christmas, and New Year's eve. However, the Yankees chose to invade Panama and destroy all the Latin Americans' hopes for peace during this season. However, this situation caused by U.S. aggressive policy, with which it responds to the nations of the world's desire for peace—especially the hopes held by Nicaraguan people—does not destroy our trust in peace. We are certain that peace is closer despite this difficult situation. We are certain that peace is closer despite Yankee aggression. It is true that these are difficult, tragic, painful, tense times and times of big decisions because we are running a serious risk. The Yankees's actions indicate that we are running a great risk as the situation will become worse.

However, I, as President of Nicaragua, the people of Nicaragua, the peoples of Latin America and the Caribbean, the peoples of the world, and I am sure even the American people, want peace. We are going to keep on struggling for peace, without letting down our guard. We are going to keep on struggling for a worthy peace. We are going to keep on struggling to have respectful relations with the United States. We must eliminate the word intervention from our political dictionaries. That word must disappear; all the more so when impressive changes are taking place in the East; when in the East walls are being torn down. We must bring down the wall that the Yankees have placed on the peoples of Latin America and the Caribbean.

We must end the policy of force that the Yankees have constantly practiced against the peoples of Latin America and the Caribbean. We must recover the Latin American and Caribbean people's right to peace and life.

The Yankees will have to learn. They will have to end the wall of violence, the wall of hatred, intervention, and arrogance. Imperialism will have to disappear. The Yankees will have to learn to respect nations, regardless of how small, and particularly, those of Latin America and the Caribbean. Thank you.

President Ortega Interviewed

PA3112222289 Managua Domestic Service in Spanish 1948 GMT 31 Dec 89

[News conference by President Daniel Ortega with unidentified reporters; date and place not given—live or recorded; broadcast in progress]

[Text] [Reporter] ... relations between the United States?

[Ortega] That depends on the United States.

[Reporter] Mr President, since President Bush has admitted that entering the residence [words indistinct]. Now that President Bush has admitted that it was a mistake and has, in a sense, apologized [words indistinct] Central American peace process?

[Ortega] There is something that we cannot overlook and that is the presence of U.S. troops in Panama. The invasion of Panama hinders the Central American peace process, it threatens the Central American peace process. It not only threatens the stability of [words indistinct], but all of Latin America. You know because of the U.S. troops' invasion of Panama, the incident at the home of the Nicaraguan ambassador in Panama is very serious. Let me repeat, this is the most delicate and serious incident between the United States and Nicaragua we have experienced in the past 10 years. We were on the verge of war that day.

The fact that President Bush admits that the United States made a mistake does not take away from the seriousness of this incident, and from the potential peril the diplomatic missions in Panama face—especially diplomatic missions other than Nicaragua's—and this may entail more serious consequences. So, we first hope that the United States withdraws from Panama, because the situation in Panama will generate (?conflicts). The interventionist element in Panama generates distrust of the United States. It is impossible to trust the United States [words indistinct] after they intervened in Panama.

That the United States blocked the entrance to the Nicaraguan Embassy and that President Bush said it was a mistake is a very serious element; it is an element that chiefly serves to destabilize the climate we want to strengthen in Central America.

[Reporter] [Words indistinct] do you accept Mr Bush's half-hearted apology?

[Ortega] I accept that Mr Bush was right to say it was a mistake. It confirms our version (?which had been denied.) I feel that if the United States wants to gain the trust of Latin America—not just of Nicaragua, but of Latin America and international opinion—he must begin by withdrawing U.S. troops from Panama. He must withdraw U.S. troops from Panama to restore the climate of trust that is necessary and indispensable to reinforcing the negotiation process in Central America.

[Reporter] Will you recognize the government of [Panamanian President Guillermo] Endara?

[Ortega not heard to respond]

[Reporter] Another question, if your government received an official apology from the United States, would you consider rescinding the expulsion of the U.S. diplomats, or what do you expect to by keeping that stance?

[Ortega] A plain fact took place, namely, the forcible penetration of U.S. troops in Panama of Nicaraguan territory in that country, namely, the Nicaraguan ambassador's residence in Panama, and the Nicaraguan reaction was moderate. The Nicaraguan Government's reaction was very moderate. It is best to leave it at that.

[Reporter] Do you not consider the measure taken by the Nicaraguan Government to be very strong?

[Ortega] Quite the contrary, the Nicaraguan Ggovernment took a very moderate measure.

[Reporter] [Words indistinct] the Endara government?

[Ortega not heard to respond]

[Reporter] What, what [words indistinct]?

[Ortega] I consider this to be a very arrogant act, an act of provocation, even on the part of the people commanding the U.S. troops in Panama. These people did not care that they were in front of the Nicaraguan ambassador's residence. Quite the contrary, they saw this as a chance to provoke a reaction and get into Nicaragua. I would not doubt that the order came from the top level of command, because the patrol chief, a U.S. colonel, had 1 hour and 20 minutes to consult with the top level of command of the U.S. troops in Panama. The one who gave the order at the top level of command knew that the residence of the Nicaraguan ambassador was going to be entered and accepted all the consequences. So, this is an act of provocation, with the intention of extending the conflict to Nicaragua. The idea is to provoke a reaction by the United States following a reaction by the Nicaraguan Government in the face of the U.S. intervention [words indistinct].

[Reporter] [Words indistinct] your ambassador?

[Ortega] That is right.

[Reporter] To have a pretext to invade you?

[Ortega] That is right. That is right. They thought we were going to enter the residence of the U.S. ambassador in Managua and provide the pretext to invade our country. I am sure that is what the top level of command leading the U.S. troops in Panama thought.

[Reporter] If U.S. troops leave Panama, will Nicaragua recognize the Endara government?

[Ortega] This issue must be discussed at the United Nations, it must be discussed at the international level. We must strive for the withdrawal of U.S. troops from Panama. That is the first thing.

[Reporter] [Words indistinct] against the U.S. Embassy in Managua?

[Ortega] They adopted that measure against the Nicaraguan [ambassador's] residence in Panama City, and we adopted the measure of expelling the North American (?officials) here in Nicaragua. That is as far as we went concerning the Nicaraguan Government's response to the attack perpetrated by the United States in Panama. That attack cannot be forgotten because of President Bush's words. The risks that the action entailed cannot be forgotten because of President Bush's words either. We were on the verge of war with the United States on the evening of 29 December.

[Reporter] [Words indistinct] to be reconciled by your government through an official note instead of a statement to the press?

[Ortega] [Words indistinct] I think it is most important for the United States to withdraw its troops from Panama. The withdrawal of U.S. troops from Panama would create the necessary conditions to work for peace in Central America.

Foreign Ministry Communique Released

*PA3012140689 Managua Domestic Service
in Spanish 12320 GMT 30 Dec 89*

[Communique issued by the Foreign Ministry in Managua on 29 December]

[Text] The Nicaraguan Foreign Ministry hereby addresses the U.S. Embassy to refer to the illegal and unjustified outrage perpetrated today, 29 December 1989, at the residence of the Nicaraguan ambassador to Panama.

On 29 December, over 100 U.S. troops—which have intervened and militarily occupied the fraternal Republic of Panama, violating the most fundamental principles of international law—at 1630 surrounded the residence of Nicaraguan ambassador to Panama, using armored personnel carriers, M-113, and Hummer vehicles. Once the residence had been surrounded, the invader's troops urged people inside the residence to get out of the residence with their hands up. At the same time, U.S. troops fired their weapons into the air. The Nicaraguan diplomatic personnel advised [the U.S. troops] that this was the Nicaraguan ambassador's residence and, therefore, had diplomatic immunity.

It must be noted that the residence had at the entrance the coat of arms of the Republic of Nicaragua, which clearly identified it as the ambassador's residence.

At the time of this incident, Ambassador Ferrey was at the Nicaraguan Embassy and immediately left for his residence when he heard of the situation created by the U.S. troops. Upon arriving at the residence, Ambassador Ferrey clearly identified himself with diplomatic credentials, passport, and other documents clearly showing his status as Nicaraguan ambasssador to the Republic of Panama. Once he identified himself, he spoke with a Colonel from the invading army who was in charge of the U.S. troops. By that time, soldiers surrounding the embassy had placed an M-113 vehicle in front of the entrance to the residence and the garage of the residence and had posted snipers on the roofs of neighboring residences. At the same time, the military placed several heavy machine guns at the back of the residence.

The conversations between Ambassador Ferrey with the chief of the invading troops—which lasted for 1 hour and 20 minutes—were in vain. The U.S. colonel, whose name could not be obtained in view of the circumstances, contacted his superiors over the radio and reported that this was the residence of the Nicaraguan ambassador, saying that, in view of this, he was requesting instructions. The instructions he received were to go ahead with the outrageous action, because the soldiers immediately violated the ambassador's residence. Despite the firm resistance by the Nicaraguan ambassador, the U.S. troops violently entered the ambassador's residence, and in an unusual manner pushed [words indistinct] the Nicaraguan ambassador, who was violently knocked and thrown to the floor by the U.S. troops. In their savagery, the military brutally hit one of the women inside the embassy and took the rest of the personnel—threatening them with death—to a room where they were detained until the troops withdrew.

In an unbelievable action, the troops—as if they were a gang of filibusterers and bandits—took advantage of the circumstances to loot the residence, taking away in bags, sacks, and in their hands everything they could take along, including shoes, clothing, electrical household appliances, and cash. As a result of the raid and the robbery, the property in the residence was seriously damaged and the cash and other looted items could not be recovered.

Taking into consideration the seriousness of the outrageous action perpetrated by the U.S. invading troops in Panama, in violation of the principles of international law protecting diplomatic missions and personnel, and taking into account the rightful demands for justice by the Nicaraguan people and taking into consideration that there was not the least reason to justify such outrage, the Nicaraguan Government has decided, in response to this outrage, to adopt the following measures:

1. Limit—according to the Vienna Convention on Diplomatic Relations—the personnel at the U.S. Embassy in Nicaragua to a maximum of 15 diplomatic and consular officials.

2. Limit the number of Marine Corps personnel in Nicaragua to a maximum of nine, which is the number that currently exists.

3. Limit the number of administrative, technical, and service personnel—regardless of nationality—to a maximum of 100 employees. In each case, it will be necessary for the Nicaraguan Government, through its Foreign Ministry, to give its approval to the hiring by the U.S. Embassy of these administrative, technical and service personnel.

4. This number of 100 employees includes domestic workers and others with similar duties carried out directly for the U.S. Embassy or its officials.

5. In accordance with the Vienna Conventions on diplomatic and consular relations, the U.S. Embassy is obliged to promptly inform the Foreign Ministry of the appointment or hiring of U.S. Embassy personnel, as well as the transfer from Nicaragua or the termination of a contract of such personnel. Should this notification not be made, the Nicaraguan Government will not consider itself obliged to recognize any immunity or privileges established in international instruments for the personnel working in that Embassy.

6. Within the limit of a maximum of 15 diplomatic and consular officials, the U.S. Government may appoint them for the duties it deems convenient.

7. The Nicaraguan Government informs the U.S. Embassy of the names of U.S. officials who must leave the territory of the Republic of Nicaragua within the next 72 hours following the delivery of this note: John S. Boarman, J. Warren Navarre, Valentino Martinez, Christopher McMullen, Katherine Ingmanson, Susan Kay Mutschler, Barbara M. Hamm, Jacqueline Dontric, William J. Overton, Robert L. Delves, John W. Fuhrer, Mary S. Gaber, Santiago Urieta, John Durham, Michael G. Weidmann, Frank R. Newland, Deolinda Armijo, John T. Torres, Pauline E. Davis, and Louis P. Falino.

The Foreign Ministry expects the U.S. Embassy to promptly comply with the measures adopted by the Nicaraguan Government.

Managua 29 December 1989

Call For Urgent OAS Session

PA3112002889 Managua Radio Sandino in Spanish 2315 GMT 30 Dec 89

[Communique issued by the Foreign Affairs Ministry, date and place not given]

[Text] The Foreign Affairs Ministry informs national and international public opinion that the Nicaraguan

Government has decided to urgently call for an extraordinary session of the OAS Permanent Council to study the unjustifiable and illegal violation of the residence of the Nicaraguan ambassador in Panama City by invading U.S. Army troops.

The OAS Permanent Council is in a year-end recess and begins work on 2 January 1990. This action, which we repudiate, of the interventionist troops has no precedent, except in the cases of the criminal attack against the Spanish Embassy in Guatemala and the occupation of the U.S. Embassy in Iran. This action is a flagrant transgression of fundamental diplomatic laws, especially those established at the 1928 Havana Convention and the 1961 Vienna Convention on diplomatic relations.

The decision of the Nicaraguan Government in no way can be interpreted as recognizing the right of the invading army to be in Panama; instead, it is based on their exercising de facto control of that sister country in defiance of all law and morality. Nicaragua insists that the U.S. Government, in compliance with the OAS and the UN General Assembly resolutions, should immediately order the exit of the interventionist forces occupying Panama.

Statements by Foreign Minister

PA3112235489 Panama City ACAN in Spanish 2307 GMT 31 Dec 89

[Text] Managua, 31 Dec (ACAN-EFE)—Nicaraguan Foreign Minister Miguel D'Escoto stated today that the United States "is going to pay dearly for the offense" of raiding Nicaraguan Ambassador to Panama Antenor Ferrey's residence. U.S. troops raided the ambassador's residence on 29 December.

D'Escoto stated that the government is going to resort to "diplomatic means" to make the United States pay the "consequences" for the raid and added that Nicaragua has decided to call, with urgency, a special meeting of the OAS Permanent Council "to consider the unjustifiable and illegal violation."

The foreign minister made reference to the incident when he received Ferrey and 87 businessmen at the Managua Airport. Most of the businessmen had been trapped in Panama, after the United States invaded that country on 20 December.

Miguel D'Escoto said that the United States "should be thankful that the Nicaraguan diplomats did not shoot the U.S. invaders that raided the ambassador's residence."

After the incident, the Sandinist government expelled 20 U.S. diplomats from Nicaragua and gave them 72 hours to leave. It also lowered the number of administrative and services employees at the U.S. Embassy from 320 to 100.

Ambassador to Panama Arrives

PA3112192289 Managua Domestic Service in Spanish 1735 GMT 31 Dec 89

[Text] The two [AERONICA] airplanes that had been in Panama arrived in the country 2 minutes ago. Comrade Antenor Ferrey, Nicaraguan ambassador to Panama, has also arrived. He said that he will stay in the country 48 hours. The rest of the [Nicaraguan Embassy's] diplomatic personnel remained in Panama.

Ambassador to Panama's Views

PA0201141490 Managua Radio Sandino in Spanish 1250 GMT 2 Jan 90

[Text] Antenor Ferrey, Nicaraguan ambassador to Panama, has said that by expelling the 20 U.S. Embassy officials, the Nicaraguan Government is dismantling the Bush government's plan to hinder the electoral process. This was said by the Nicaraguan ambassador to Panama upon his return to Managua on 31 December when commenting on the Nicaraguan Government's decision—following the Yankee troops' search of the diplomatic residence in Panama. The Nicaraguan diplomat said:

[Begin recording] [Ferrey] I think that it will have the most repercussions in Nicaragua where we have practically dismantled their plan for the upcoming elections, their plan to hinder the elections.

[Reporter] When are you going back to Panama?

[Ferrey] I am here for consultations. I may be going to New York. After that the Foreign Ministry and the government will decide when I will return to Panama. [end recording]

Government Not Breaking Relations With Panama

PA2912132789 Managua Radio Sandino in Spanish 1200 GMT 29 Dec 89

[Text] Danilo Abud, the Nicaraguan Foreign Ministry's adviser for Latin American affairs has said that for the moment the Nicaraguan Government has not considered breaking diplomatic relations with the authorities imposed in Panama by the invading troops.

Abud added: Our decision is in line with the Nicaraguan Government's political determination to defend Panama and Latin America's sovereignty.

[Begin Abud recording] Our diplomatic delegation will remain there as an expression of the Nicaraguan Government's political determination to defend the soverignty of the people, Panama, and Latin America.

Our position with regard to the Panamanian situation is contained in the OAS resolution, which clearly condemns U.S. intervention and demands the withdrawal of U.S. troops. A solution must be found for the internal Panamanian problem, which evidently is not in the hands of the Panamanians alone, as we have been saying for months since the Panamanian crisis began approximately 2 or 3 years ago in 1986.

Consequently, we do not believe we should recognize any government that emerges from military intervention. The actions currently taking place, based on information compiled by the Metropolitan Curia in Panama, to recognize a government and say it was elected democratically and the fact that authorities who had signed a decree annulling the elections now have annulled ... [changes thought] and again believe that by putting a signature on a decree validating the results of the May elections in our opinion shows lack of seriousness and respect for the international public. [end recording]

Defense Ministry 'Call To War' Communique Viewed

National Opposition Union Responds

PA3012045389 Panama City ACAN in Spanish 0352 GMT 30 Dec 89

[Text] Managua, 29 Dec (ACAN-EFE)—The National Opposition Union (UNO), comprised of 14 political parties, today charged that the recent measures adopted by the Managua government, in light of its fear of a North American invasion, are aimed at "hindering the electoral process" and "cancelling the upcoming elections."

On 20 December, following the invasion of Panama by U.S. troops, Nicaraguan President Daniel Ortega declared a "state of maximum military alert" throughout the country.

On 27 December, the Sandinist People's Army (EPS) General Command reiterated the deployment of all its military forces throughout the country in light of the danger of a military invasion by the United States in Nicaragua.

According to the declaration issued by the UNO, whose presidential candidate is Violeta Chamorro, the Sandinist government "is creating artificial war situations that go beyond the true national and international realities."

Also, according to the opposition coalition, the measures "represent the obvious desire (of the Sandinists) to provoke a North American invasion because it is easier to justify the defeat of their political project with an intervention than having to admit it as a result of the votes cast by the people in the 25 February elections."

The UNO's political council that drafted the declaration, states that the "military alert" and the mobilization of heavy weapons "is typical of authoritarian regimes to try and overcome domestic crises that have gone beyond their control."

The UNO adds that the military presence in the cities throughout the country hinder the political mobilization, intimidates the opposition, and discourages the supporters of the alliance from voting.

The UNO also reacted to the contents of the "special communique" issued by the Defense Ministry ratifying the "general alert." Paragraph three of the communique calls on the state security organizations to implement the "plans to neutralize and execute the recalcitrant traitors."

The political alliance "repudiates and condemns" this third paragraph and, after describing it as "anarchist" states that it "grants absolute powers to the state security organizations to act, in a criminal manner, against the Nicaraguan people."

UNO Leaders Interviewed

PA2912174489 Managua Radio Corporacion in Spanish 2312 GMT 28 Dec 89

[Text] Social Democratic leader Adolfo Jarquin Ortel today said that the call for war issued yesterday by the Sandinist Government through the Defense Ministry is gravely irresponsible.

[Begin recording, in progress] [Reporter] ...the U.S. invasion?

[Jarquin] Look, all I can tell you is that the government's attitude is highly irresponsible. This time I ... [changes thought] Once more it is irresponsibly seeking a way to create tension among the Nicaraguan people. The truth is that we, the UNO [National Opposition Union] members, do not believe that an invasion will take place in this country. Only the Sandinists would want an invasion here because they like war, they do not like peace. We believe in peace and we want the elections to be held in February 1990 because we want to participate in them. We want to institutionalize the elections. The change of government should be institutionalized in a democratic way and the elections are part of it.

Moreover, the measure is intended to deal a blow ... [changes thought] is designed to intimidate the people because they [the Sandinists] talk about an invasion and recruit youths for military service—thus violating an agreement not to recruit anyone—and summon people to their reserve posts. They are looking for ways to control the people, but they are particularly looking for ways to intimidate political leaders.

[Reporter] Do you think that the measure is designed to counter the electoral process?

[Jarquin] Of course! They are undoubtedly trying to do this. They are concerned about the sustained progress that UNO has achieved at every level. [end recording]

[Nicaraguan Democratic Movement leader] Roberto Urroz has said that the Sandinists are preparing a campaign to suspend the elections. Urroz said that the Sandinists are creating conditions to call off the elections scheduled for 25 February 1990.

[Begin recording] [Urroz] I would like to tell you that all these things, all these actions, all these measures being adopted by the Sandinist regime are part of a plan being prepared to preclude the elections in Nicaragua. They [the Sandinists] are looking for a pretext because the statistics and the evidence and facts about the rallies clearly prove that the Nicaraguan people will vote for UNO and they will vote for a change.

Specifically speaking, the communique is clearly intended to be used for criminal interpretations, which may be designated at a given moment against UNO leaders. All it takes is for someone to say: These are turncoats. These are the ones who slyly favor U.S. intervention. However, the UNO leaders have clearly stated that we respect the principle of nonintervention in one state by another and that we do not agree with it.

We believe that the Sandinist regime is simply trying to create the conditions for intervention in Nicaragua. They are calling for intervention. Why? I believe that the regime has realized that its political project has failed and that its project will be defeated in the February 1990 elections. These so-called revolutionaries sponsor a given project and it is easier for them to accept that they have been defeated by the U.S. in an intervention than to accept that they have been defeated by the people in an election. I think this is the entire case, given an imminent defeat and the imminent loss of power in 1990.

[Reporter] Eng Urroz, do you think that the Defense Ministry's threat will be carried out?

[Urroz] You can expect anything from the Sandinist regime because it has repressed and imprisoned political leaders in the past. Many political opposition leaders have already been assassinated in rural areas. I believe anything can be expected from the regime. We hope that they will act sensibly and wisely because UNO and the opposition in general is trying to continue the electoral process and to participate in a civic event because that is the only solution to the national crisis. [end recording]

Liberal Constitutionalist Party [PLC] leader Jose Ernesto Somarriba termed the Sandinist Government's maximum alert tenebrous.

[Begin Somarriba recording] That is a tenebrous measure. It reminds us of the latest episodes involving the Ceaucescu Government in Romania. These people just will not learn; they do not learn their lessons from history. Those who do not learn their lessons are condemned to relive history. It is extremely grave for an official communique, which was published on a full page, to announce the assassination of all [opposition] political leaders just because we believe that democratic principles should be respected. That is the sum total of our crimes and the government has no qualms about issuing such a threat. I believe this is a tenebrous thing, and it is more dangerous for them than for us.

[Reporter] Dr Somarriba, do you believe that the purpose of these threats is to cancel the elections or to create a state of terror among the population?

[Somarriba] That could be the purpose, but they [the Sandinists] are extremely nervous about the events in Panama and Europe. They are extremely nervous because they are not fulfilling—and they apparently have no intention of fulfilling—the pledges made at Esquipulas and all the other agreements derived from Esquipulas. They are obligated to hold free elections and they have carried out many shady maneuvers and actions to prevent the electoral process.

They know they will lose the elections. Why? Because they have seen the demonstrations taking place everywhere each Sunday and day after day. They know that the people participating in a demonstration in (Nagaroche) are from that community. They also know that the people of Juigalpa participated in a huge demonstration there. There is no movement of people; not a single bus is used for those demonstrations. Contrary to that, days before they [the Sandinists] hold a demonstration they begin transporting members of the army—who later appear dressed as civilians—and people from many places. They have portable demonstrators. They are doing the same thing as Somoza; they stage portable demonstrations. We do not do that. Our demonstrations are held with people from each community. The Nicaraguan people have broadly shown their support to the UNO candidates, which has them nervous.

They are also nervous about the recent incidents in Panama, which was a combined action against the drug traffickers and to ensure compliance with the electoral process in that country, which was won by Endara. They are worried and nervous about that, and that is what makes them act so rashly and why they have made such tenebrous and terrible statements—which makes them look like criminals before the world, like thugs who can plan the death of a number of people who are not doing them any harm. However, they can officially publish such a threat on a full page in the official newspaper, which was signed by the corresponding Defense Ministry official. I think this is really tenebrous.

[Reporter] Finally, do you think that those tenebrous threats can be carried out by Sandinist fanatics?

[Somarriba] Of course they can. They are being encouraged to act that way. They know that they have the support of the government, of the State, and they know that state security and the Sandinist People's Army [words indistinct]. Therefore, there are people who would be capable of carrying out such actions if they had a chance. However, I do not think they will have that opportunity. [end recording].

Meanwhile, labor leader Alvin Guthrie has described the communique as pure Sandinist arrogance. He said that the Defense Ministry's call to prepare for war once again reflects the arrogance of the Sandinist regime. Here is his statement.

[Begin recording] I was alarmed by this communique yesterday because we are in the middle of a political campaign. We are going to hold supposedly free and transparent elections on 25 February 1990. This in no way contributes toward Nicaragua's democratization, but instead shows the Sandinist government's arrogance. We Nicaraguans, as discerning individuals, have a right to decide what is best for us. At least we in the Confederation for Trade Union Unity [CUS] are opposed to any kind of intervention anywhere in the world, and we believe that people have a right to self-defense. Therefore, we are surprised to see that those of us who are conducting a civic opposition are being accused.

I, Alvin Guthrie, am personally against fighting to defend, for example, the autonomy or whatever of a government like the Panamanian government, which has been accused of drug trafficking. Therefore, I would never defend someone like Noriega. That is the problem that exists with Panama now. There is confusion, a lot of confusion. Nicaragua's position is very confusing, as Noriega faces drug trafficking charges and is being persecuted for those crimes.

We workers, specificially within the CUS, are worried because we want to live and work in peace. We want freedom in Nicaragua. We want the massive exodus of Nicaraguans to end. We are completely against an invasion in Nicaragua, there is no doubt about that. However, the question is whether we will defend a drug trafficker or not. We are completely against defending a drug trafficker [end recording] to the UNO candidates, which has them nervous.

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Cardinal Obando y Bravo Comments

PA2912190689 Managua Radio Catolica in Spanish 1130 GMT 29 Dec 89

[Text] The special Defense Ministry communique calling on its combat units to neutralize and implement plans leading to the elimination and execution of citizens described as recalcitrant turncoats is cause for alarm not only at the national, but international level. We have received telephone calls from fellow journalists from newspapers in various parts of the world requesting more details on this death threat against citizens opposed to Sandinism. It has been said that this communique could bring about genocide, even if no invasion occurs in Nicaragua.

Is it correct for the republic's government to call for citizens' execution? Is this civic? Is this pacification? Is this respect? Is this good leadership?

We asked Cardinal Miguel Obando y Bravo, the most respected and beloved man in Nicaragua, to give us his opinion. Here is what Cardinal Obando y Bravo, archbishop of Managua and President of the National Reconciliation Commission, said:

[Begin recording] [Obando y Bravo] I believe that if our authorities act with maturity, there will be no invasion.

We are in an electoral campaign and as I said, if we conduct ourselves with maturity, there will be no invasion.

As bishop and National Reconciliation Commission president, I have always said that we must prevent verbal violence. We must all avoid using verbal violence, as it creates friction and problems; therefore, it should be prevented. We must make an effort not to use terms that could create fear among citizens. Both the opposition and the Nicaraguan Government should avoid using terminology that could lead to violence.

I hope there will be no invasion here. I do not think there will be one [words indistinct] this terminology can create fear and great concern among the citizens. As I always do, I would like to remind our people of a statement made by the Pope who said that we must take care of, defend, and promote life. Therefore, I insist that we must prevent violent terminology that could encourage hatred. There is always the possibility that some people—maybe an uncontrolled fanatic—could commit an outrage if we continue using language that is full of hatred. Instead, we must try to reconcile the Nicaraguan family.

[Reporter] When will the National Reconciliation Commission meet?

[Obando y Bravo] The Commission has already met, I think it was last Saturday. Right now we have no plans to meet again. I told the Commission members that it was necessary to evaluate the work we have done so far. I also know that the Commission's work has been questioned. We have received letters saying that some Commission members do not represent the interests of all political parties. In other words, the National Reconciliation Commission has been questioned. I have acknowledged receipt of some of those letters and have stressed that the Commission was not formed by Cardinal Obando, but by the Nicaraguan Government. That is why I have insisted on the need for an evaluation. However, we have not yet decided when the Commission will meet to conduct that evaluation. [end recording]

Editorial Criticizes Communique

PA3012033789 Managua LA PRENSA in Spanish 28 Dec 89 p 2

[Editorial: "An Untimely and Violent Communique"]

[Text] It is clear that the Sandinists only feel comfortable when they are provoking a climate of tension. To put citizens in anguish has a relaxing effect on them. To carry out paranoic persecutions, resulting from the chronic war psychosis they suffer, makes them feel secure. This is the sad conclusion reached by any citizen with common sense, after reading the dreadful Defense Ministry communique issued on 28 December.

However, the most shameful part of this jumble of warmongering preparations to repel an alleged and fantastic U.S. aggression, is when it reaches the point of threatening with "neutralization and elimination" of opposition people, regarded by the secret police as supporters of the U.S. policy. Only the super-genocidal Ceausescu dared to make such shameless and veiled threats.

What could have motivated such sudden action—which many local psychiatrists attribute to the intensification of psychological traumas the former Sandinist guerrillas periodically suffer from every time events like those taking place in East Europe or in Panama revive the psychological wounds the [former Sandinist guerrillas] are suffering from?

However, other analysts have taken a different approach in finding an explanation. For these analysts, the Sandinist fuss tries to justify preventive measures against the inevitable U.S. reaction that would take place with the arrival of Noriega in Nicaragua—protected by the asylum that the FSLN [Sandinista National Liberation Front] would grant in the next few hours to the deposed general—thus helping the Vatican diplomacy get rid of the red-hot coals.

As can be assumed, the Holy See would never turn over Noriega directly to the United States. Neither does it want to keep him indefinitely as a bothersome guest.

If the Vatican granted refuge to him, it was only for strictly humanitarian reasons because it considered that the Panamanian general was in danger of losing his life because posters offering a reward for him were all over the city. However, the Holy See representatives never termed his condition as one of political refugee or said it was permanent.

However, where should the fugitive general be sent? East European countries eager to have better relations with the United States do not want to get involved in this and have rejected him. Spain has already said that if the general is delivered to its territory, it would turn him over to the U.S. because it signed an extradition treaty with the United States. Endara, in turn, argues that Panamanian Constitution bans the exile of Panamanians. Alternatives seem to be Cuba and Nicaragua, in view of their friendly relations with Noriega—and perhaps because of their great commitments to him. Because those two governments would never turn Noriega over to the United States, the Vatican might be interested in considering those two countries as third countries.

Under this approach the Sandinists fear that, by accepting Noriega as a refugee, they may cause a repetition of the Panamanian scenario which caused the unexpected U.S. marines invasion and, within this logic, are getting ready to repel it. The question is: Do they have the right to commit the peace and tranquillity of the country for the sake of a drug trafficker?

There is a third hypothesis which is the most acceptable for us. What the Sandinist are provoking with this climate of war and direct threats to the opposition, is to maintain a climate of high tension that would discourage shy voters from participating in the elections, or to make the opposition declare the minimum conditions do not exist to hold elections and announce their withdrawal from the elections. This last hypothesis is totally unlikely. The most prominent UNO [National Opposition Union] members have stated they will go to the end with the electoral process, demanding honesty.

In contrast, Sandinists are no longer so certain of winning and fear they may have to resort to massive fraudulent actions to attain victory. They are afraid that, at the very least, results will be very clear cut and close. Under such circumstances, the opposition could claim its victory. If this occurs, the people's reaction will be unavoidable and unstoppable.

Such a scenario could prompt a repeat of the Panamanian case. For all these reasons, the Sandinists are preparing for any possible future event by provoking a climate of tension that they can dominate as they are in power, and to justify the reprisals and attacks against their opponent.

However, all this is an old, discredited trick. We Nicaraguans have already lost our fear.

Chamorro Receives Death Threats

PA3012003989 Hamburg DPA in Spanish 2249 GMT 29 Dec 89

[Text] Managua, 29 Dec. (DPA)—Violeta Chamorro, presidential candidate for the National Opposition Unity (UNO), reported today that she has received several death threats from people she presumes to be identified with the Sandinist government.

She said that in the last 24 hours she has received telephone calls which insulted and threatened her with death. The callers claim to be acting on the Nicaraguan Army's High Command which decrees in the event of a U.S. military invasion "plans would be put in effect for neutralizing, curbing, and executing all the diehard traitors who openly or underhandedly have abetted the U.S. invasion."

A communique was issued on 28 December outlining how the armed forces and the militias should act if the United States invades Nicaragua. The government has placed the Sandinist Armed Forces on a maximum state of alert.

Violeta Chamorro delivered a communique to the local press reporting to the electoral authorities that a campaign of harassing and insulting telephone calls has begun. She added that she is keeping track of the threats which try to justify violent acts against the people who are fighting for democracy in Nicaragua.

She regards the threats as "sinister." However, she says they will not scare her. She says that she maintains her determination to fight for freedom in Nicaragua.

Sandinist government sectors have criticized Violeta Chamorro for not comdemning the U.S. invasion of Panama.

Preparations Made for Possible U.S. Invasion

PA2912180489 Managua Radio Sandino in Spanish 1200 GMT 29 Dec 89

[Text] Thousands of rifles are already in all of Nicaragua's neighborhoods, ready to be used by the people in case of a U.S. invasion. Lt Col Irwin Davila, chief of the General Staff for Region 3, made that remark, adding that the country's defense plans are in line with the presidential decree of maximum alert and the resolution by the General Command of the Sandinist People's Army to deploy all its military units. Here is Lt Col Davila to comment on the matter.

[Begin Davila recording] We have been working with all the units since the presidential alert was issued, installing command posts at different institutions and preparing what we term war plans. This entails [2-second break in transmission] plans in enterprises with regard to the war, the preparation of material means that the economy assigns to the armed forces, and the preparation of militias. We have given out our weapons. Thousands and thousands of rifles are now in the neighborhoods. We just completed their distribution. All weapons are there. Our platoon and squad chiefs are ready, and the soldiers have been counted. Should there be any other emergency situation, we will make a call for total fulfillment of combat missions. Our personnel and people are ready to take up rifles. [end recording]

Defense Ministry Reports Clashes, Results

PA2912215589 Managua Radio Sandino in Spanish 1955 GMT 29 Dec 89

[News bulletin from the Public and Foreign Relations Directorate of the Nicaraguan Defense Ministry communique issued in Managua on 29 Dec 89]

[Text] 1. Combat actions: On 27 December our troops clashed with mercenary groups in Quebrada Mancornada, located northwest of Abisinia, Jinotega Department, resulting in the annihilation of three mercenaries and the seizure of three AK rifles, one ICOM radio, one detonator, one hand grenade, and two backpacks.

There was a clash that same day at the Palam River, located north of Rio Blanco, Matagalpa Department. One civilian was killed and four were wounded. The dead civilian was 40-year-old Arnulfo Obregon Blandon; and the wounded civilians are Carmen Obregon, Feliciano Obregon, Amelia Cruz, and Claudia Cruz.

2. Terrorist actions against the civilian population and economic targets: On 27 December, a group of mercenaries kidnapped three civilians in the places known as San Antonio Los Encuentros, located northwest of San Juan de Limay, and the city of Esteli, Esteli Department, respectively.

3. Air space violations: The following air space violations were registered, in a continuation of the attitude of threat and provocation against our country. At 2100 on 27 December, an unidentified airplane flew from south to north over the sectors of San Juan del Sur, Rivas Department, where it was repelled by our antiaircraft defense units. At 1920 on 28 December, an unidentified airplane flew over several sectors in Managua Department. At 2036 on 28 December, an unidentified airplane entered our territory through the sector of Palo Grande, located southwest of Somotillo, Chinandega Department; and flew over Chinandega and Corinto. The aircraft later flew over several sectors in Managua Department and was repelled by our antiaircraft defense units.

Managua, 29 December 1989.

Contras Reportedly Kidnap Peasants in Esteli

PA3012030189 Managua Radio Sandino in Spanish 1200 GMT 29 Dec 89

[Text] Ten [as heard] peasants, who belonged to the El Naranjo Cooperative, located 15 kms northwest of Limay, were kidnapped on 27 December by a counterrevolutionary group, Esteli Department's Sandinist National Liberation Front [FSLN] has charged. The names of the kidnapped victims are: Transito Castro Castellon, an FSLN official and president of the Carlos Melgara Cooperative; Ovidio Castro Gonzalez; David and Rigoberto Castro Benavides; Gilberto Gomez Castellon; Roberto Arauz; Victor Gomez Hernandez; Rodolfo Arauz Jarquin; and, Santos Calderon. According to reports by relatives of the victims, 40 mercenaries went to the peasants' home on 27 December and waited for them to return to kidnap them. While they waited, the contras did proselytzing activities in favor of UNO [National Opposition Union], telling the peasants that if they do not vote for UNO in February, their relatives will be killed. The number of peasants kidnapped in recent days totals 16, and 4 have been killed in this region.

Moscow Comment on Role of Municipalities

PY2912210089 Moscow in Spanish to Latin America 0000 GMT 28 Dec 89

[Commentary by Yuriy Baranov]

[Text] The electoral campaign which started this year will be a bridge to 1990. This campaign will end in 2 months time with general elections that will set the path to be followed by the country during the next 6 years.

An important role has been attributed to the municipal organs that will be created for the first time since the victory of the revolution. These organs will be created in compliance with a modern law drawn up by the parliament and which is based on international experience in this field.

Sandinist Deputy Natan Sevilla has stated that the new municipal organs will make sure that the people participate in solving the communities problems and ensuring that the large resources are being used properly. These resources include the local peoples' initiative, their resources and money, their tax contributions, together with the cooperation that enterprises have established within the various municipal districts, and the contribution that the central government can make to the municipalities. But above all this, are the organized efforts that the people make in every municipal district.

The Sandinist legislator went on to say: Therefore, the [word indistinct] are very ample and affect all sectors. They will even be able to install their own enterprises and cooperate in solving problems related to education and health. There are even plans to decentralize the budgets for education, health, and all social services and thus help solve the national problems at a local level.

Natan said: Moreover, from the democratic point of view, the principle of political pluralism will be respected. All the political parties that are registering for the elections will participate under equal conditions. The people will decide which of these parties will administrate the municipal districts.

Natan ended by saying that the Sandinist National Liberation Front is the party with the largest number of candidates in the 134 municipal districts in country. Other parties have less candidates because they do not have the necessary membership.

This was Yuriy Baranov reporting from Managua.

Panama

U.S. Troops Raid Nicaraguan Envoy's Home

Action Called 'Mistake'

PA3012125589 Panama City ACAN in Spanish 0712 GMT 30 Dec 89

[Text] Panama City 29 Dec (ACAN-EFE)—The U.S. colonel who directed the operation in which U.S. troops raided the residence of Nicaraguan Ambassador to Panama Antenor Ferrey, and who detained him for over an hour, later "apologized" and said it had been a "mistake."

The Nicaraguan diplomat himself told ACAN-EFE that before some 30 U.S. soldiers who took part in the action withdrew, the colonel, whose name he said he forgot, also returned to the ambassador the weapons found inside the embassy [as received], which had been confiscated.

This action, to which the Nicaraguan government has responded by announcing the expulsion of 20 U.S. diplomats in less than 72 hours, and the reduction of the U.S. Embassy administrative personnel from 230 to 100, has not been commented on in Panama City by the U.S. Southern Command or in Washington by the U.S. State Department.

Ambassador Ferrey also said that after the U.S. troops who raided his residence had left he noticed that over $1,000 and a watch were missing.

Ferrey added that he repeatedly showed his credentials as ambassador to the U.S. colonel, with whom he communicated through several translators, and explained that the house was registered at the diplomatic headquarters as the ambassador's residence. The colonel responded that he was "following orders from higher up."

The U.S. military, the ambassador added, confiscated some five rifles that were at the diplomatic residence for security reasons, "as in any embassy" and later returned the rifles, even with the clips. However, the ambassador added, after the operation had concluded, the U.S. officer apologized for the action saying it had been a "mistake."

After the U.S. military left, the house was a complete mess, with wardrobes opened and clothing all over the floor, toilets without their covers, and all mattress covers torn.

The ambassador maintained that before the search began, he negotiated in vain for 75 minutes to prevent the military from entering his residence. Before starting the search, the military gave him two ultimatums. The first time, the military said the seven people inside the house had to get out "with their hands up, but we told them: No way!" Ferrey said. However, in the second ultimatum, he added, the military threatened to enter by means of "gunfire," unless everyone got out.

Then, there was a struggle between the ambassador and the U.S. officer at the entrance door, and the two men fell down from a height of approximately 1 meter. Later, according to Ferrey, some 30 soldiers entered and searched "the entire house."

Ferrey also said the U.S. military did not allow him to talk to the Nicaraguan Foreign Ministry or with U.S. Ambassador Arthur Davis, although he repeatedly asked for this.

Nicaraguan President Daniel Ortega announced he will report this incident at the United Nations and at the OAS, and before the diplomatic corps accredited to Panama, Ferrey said.

"This is a violation and they will pay the price for what they have done," Ferrey concluded.

Government 'Puzzled'

PA3012031789 Panama City ACAN in Spanish 0232 GMT 30 Dec 89

[Text] Panama City, 29 Dec (ACAN-EFE)— A spokesman has reported that the new Panamanian Government was "puzzled" and "surprised" by the U.S. troops' raid on Nicaraguan Ambassador Antenor Ferrey's residence today.

Edwin Cabrera, director of communications for Guillermo Endara's government, told ACAN-EFE: "I have heard nothing, but if (the U.S. troops) did this I am surprised and puzzled, because it seemed that tension was decreasing."

The government spokesman said: "I think it is senseless."

Dozens of U.S. soldiers today entered Ambassador Ferrey's residence and detained the people on the premises while the building was searched. Witnesses said that the U.S. troops withdrew at approximately 2110 (0210 GMT).

ACAN-EFE journalists posted close to Ambassador Antenor Ferrey's residence saw eight armored personnel carriers, one troop transport truck, and one Red Cross vehicle pass by.

A Nicaraguan diplomat asserted that the raid had been carried out "by force."

Endara Comments

PA3012170689 Paris AFP in Spanish 1553 GMT 30 Dec 89

[Text] Panama City, 30 Dec (AFP)—President Guillermo Endara and his cabinet today entered the Presidential Palace of the Herons for the first time to hold their first working session in the official headquarters of the Panamanian Government following the invasion by U.S. troops to overthrow General Manuel Antonio Noriega's regime.

The Endara government had been provisionally operating from the Panamanian Foreign Ministry building in the Calidonia neighborhood, because the Palace of the Herons, located in Panama's old center, had been looted last week by unidentified individuals who dismantled the main offices.

As he arrived at the presidential palace, Endara was applauded by small groups of supporters who went out in the streets to welcome him.

In brief remarks to the press, Endra said he is "very optimistic because we are going to rebuild the country with the help of all Panamanians."

Asked about last night's raid by U.S. troops on the residence of Nicaraguan Ambassador Antenor Ferrey, President Endara said he was unaware of "all the details but understand that it was an honest mistake by the U.S. Army."

"I need an explanation and I am sure the U.S. Army has a good one," Endara added.

Arias Comments

PA3012223089 Panama City Circuito RPC Radio in Spanish 1747 GMT 30 Dec 89

[Text] The new government headed by Guillermo Endara is holding its first cabinet meeting at the presidential palace. Before it began, however, First Vice President and Government Minister Ricardo Arias Calderon spoke to reporters. Let us hear what he had to say.

[Begin recording] [Arias Calderon] According to the information I have received, the personnel at the Nicaraguan ambassador's residence did not present specific identification documents when they were requested by the U.S. Military Police. In addition, grenade launchers were found. Everything was returned, however, and the soldiers left the residence after the identification documents were presented. I urge certain embassies to restrict themselves to their diplomatic tasks. If they do, they will be respected.

[Reporter] How will this affect relations with Nicaragua?

[Arias Calderon] That will be determined by the president of the Republic after he has talked with the foreign minister. [end recording]

Linares Says Raid 'Priority Topic'

PA3112015889 Panama City ACAN in Spanish 2312 GMT 30 Dec 89

[Text] Panama City, 30 Dec (ACAN-EFE)—The government is awaiting a "report" on the raiding of Nicaraguan Ambassador Antenor Ferrey's residence here on 29 December by U.S. troops.

At the end of a Cabinet meeting today, Foreign Minister Julio Linares told reporters the incident "is a priority topic for Guillermo Endara's government.

Linares said U.S. troops "were not authorized by Panamanian officials to raid the residence. The U.S. colonel in charge of the operation "apologized" and said that it had been a "mistake." He was not identified.

On 29 December, after a scuffle betwen the ambassador and the U.S. officer, about 30 U.S. soldiers raided the house and searched all the rooms, closets, drawers, toilets, kitchen and the living room, leaving everything in disarray.

Ambassador Ferrey said that after the search more than $1,000 and a watch were missing. The incident led the Managua government to expel 20 U.S. diplomats and to reduce U.S. Embassy administrative personnel from 320 to 100.

The Foreign Minister said that before the government adopts a decision regarding the search of the ambassador's residence, he is awaiting the details of a report that has been requested from the United States through its embassy here.

The U.S. Army reported today that 7 "RPG" rocket launchers, 4 UZI rifles, 11 AK-47 assault rifles, 10 more rifles, and much ammunition had been found at the ambassador's residence. All the materiel was returned to the ambassador.

U.S. Troops Detain, Release Cuban Diplomat

PA3012012389 Panama City ACAN in Spanish 2358 GMT 29 Dec 89

[Text] Panama City, 29 Dec (ACAN-EFE)—Cuban sources have reported that a Cuban diplomat was detained by U.S. soldiers at the door of Cuban ambassador Lazaro Mora's residence. Mora remained with the diplomat during the 20 minutes that his identity was verified.

The sources reported that Ambassador Mora and Secretary Jorge Sosa were taken to a place in Old Panama, to a U.S garrison. They "were released 20 minutes later."

There was a similar incident at the same place on 28 December when U.S. soldiers intercepted Alberto Cabrera, First Secretary of the Cuban mission.

The Cuban Embassy and the ambassador's residence have been surrounded by U.S. troops since 20 December, when U.S. forces invaded Panama.

Nuncio Critical of Loud Music Near Embassy

PA2912171689 Panama City ACAN in Spanish 1600 GMT 29 Dec 89

[Text] Panama City, 29 Dec (ACAN-EFE)—Apostolic Nuncio to Panama Sebastian Laboa has said that the attitude of U.S. troops currently surrounding the Holy See's embassy "violates the Vienna Convention" that establishes guarantees for diplomatic missions.

Since Sunday U.S. troops and armored vehicles have besieged the Vatican Embassy in Panama where General Manuel Antonio Noriega has taken refuge. Washington has ordered his arrest so he may face trial in the United States on drug-trafficking charges.

Laboa told ACAN-EFE today that "what they are doing is a violation of human rights," referring to the music the U.S. Army has been playing through powerful loudspeakers for the past 48 hours near the embassy.

Laboa added: "They are mistaken if they believe I am going to go crazy with this." However, he stressed that "this attitude makes it difficult to carry out the delicate mission we have on our hands."

A top U.S. diplomatic source denied that the music, which is being played at a very high volume, is directed "mainly" at those who are inside the nunciature. He stressed that "above all" it is intended to prevent the multitudinous television equipment installed about 200 meters away from intercepting conversations from inside the embassy.

"There is some psychological warfare in all this; however, the main purpose is to prevent the recording of conversations that take place in front of or inside the nunciature by sophisticated U.S. television network equipment."

Diplomatic sources have reported that the nuncio had several contacts with the Vatican today before the Holy See announced it had granted Noriega "temporary asylum."

"He (Noriega) is here as a guest, a refugee, while his situation, which is currently under study, is clarified," Laboa told ACAN-EFE.

Laboa stressed that "Noriega's presence here has contributed toward stopping the war and saving lives." He called for a "just and equitable solution" in the negotiations between the Vatican and the U.S. Administration with regard to the fate of the former Panamanian military leader.

'Impasse' in Talks Over Sparing Noriega's Life

PA3012002789 Paris AFP in Spanish 2334 GMT 29 Dec 89

[Report by Arturo Gudino]

[Text] Panama City, 29 Dec (AFP)—A source within the Catholic Church told AFP today that the Apostolic Nunciature in Panama is prepared to turn General Manuel Antonio Noriega over to U.S. authorities, on the condition that it is guaranteed that his life will be spared.

The source, who asked to remain unidentified, said that the "impasse" in negotiations between the Vatican and Washington centers on this point, because the heads of the Southern Command based in the Canal Zone "have so far failed to give full guarantees that Noriega's life will be spared."

The source also said that Panama Archbishop Marcos McGrath "firmly believes that the best thing to do is turn him over to the Americans for him to be tried in the United States."

"He (McGrath) believes that Noriega must be taken out of Panama, because to have him in jail here would be a serious threat and for him to be given asylum in a third country, such as Cuba, would mean that he would return in a few months supported by extremist groups to start guerrilla activities," the source said.

This report was obtained in this capital hours after the Vatican announced in Rome that Apostolic Nuncio Sebastian Laboa is trying to convince Noriega to leave the Papal Embassy.

The source indicated that the nuncio is "very concerned" over the large-scale deployment of U.S. troops around the nunciature in the Punta Paitilla residential area, and particularly about the presence of many sharpshooters in nearby buildings.

"It is obvious that the presence of those sharpshooters is not just an act of psychological warfare against Noriega; it is feared that the minute he puts a foot outside of the nunciature he may be shot to death," the source said.

On the other hand, the source said that there is concern over the former Panamanian head of government's state of depression, because he "spends most of the time locked in his room and communicates very little with several of his former aides, who are also in refuge there."

"If it is true that Noriega is addicted to illegal drugs, the anxiety provoked by their withdrawal could cause a state of depression that could affect his conduct and lead him to act rashly and with desperation. Perhaps this is one variable that the Americans are expecting," the source added.

The source noted that Laboa has given the troops around the nunciature a green light to use force if Noriega tries to hold any of the Vatican employees or representatives hostage.

Endara Says Panama Not Negotiating on Noriega

PA3012011289 Panama City ACAN in Spanish 2332 GMT 12 Dec 89

[Text] Panama City, 29 Dec (ACAN - EFE)—President Guillermo Endara said today that his government is not engaged in any kind of negotiations with the Vatican regarding the future of General Manuel Antonio Noriega.

Noriega, who after the U.S. invasion of Panama hid in an unidentified location for 3 days to avoid capture, is now in the Apostolic Nunciature, which has granted him "temporary political asylum."

"We are not engaged in any kind of negotiations with the Vatican regarding Noriega's future," the Panamanian president said today in an impromptu press conference held at a branch of the National Bank, where he received $50 million that had been frozen by the United States.

In March, 1988, the U.S. Government froze Panamanian funds in U.S. banks following the ouster of then-president Eric Arturo Delvalle, who had ordered Noriega's removal as commander of the Defense Forces.

Endara added that the problem created by Noriega when he took refuge in the Vatican's Embassy "will be resolved very soon, in a few days, becuase I believe that he will be asked to leave the nunciature."

"Noriega sleeps in the same room that I was in," the Panamanian president said in reference to the time when

Endara took refuge in the nunciature in October, after the then "strongman" had defeated an attempted military coup.

Meanwhile, the Papal Embassy, where Noriega remains in refuge, continues to be surrounded by U.S. military troops and vehicles, which, for the past 48 hours without interruption, have been playing deafening "rock" music, apparently to exert psychological pressure on those inside the Papal Embassy.

Arias Comments on Noriega Situation

LD2912204789 Madrid Domestic Service in Spanish 1900 GMT 29 Dec 89

[Excerpt] [passage omitted] [Announcer] If General Noriega were to be handed over to Guillermo Endara's government, the situation would not be easy. In addition to the U.S. forces, who have set up loudspeakers to play rock music and speeches by George Bush and Guillermo Endara himself at full volume, hundreds of people opposed to the general are gathering around the Vatican mission in Panama. We now have the report from our special crrespondent in Panama City, Luis Garmat.

[Garmat] Apart from the news from Rome announcing that the Papal Nunciature in Panama had granted temporary asylum, Panamanian Foreign Minister Julio Linares has said there is nothing new concerning the Noriega case. Christian Democrat Ricardo Arias Calderon, the first vice president of this government, who is also in charge of the justice and interior portfolios and whom we interviewed this morning, believes that Manuel Antonio Noriega is a criminal against the Panamanian people, against the Latin American peoples, and that one day someone has to bring him to justice. Regarding the gathering of people outside the Vatican diplomatic mission and the fear of a lynching, Arias Calderon acknowledged that the situation is critical both for the nunciature and for Panama.

[Begin Arias Calderon recording] Certainly it is a critical situation. [word indistinct] We are not able at the present time, on our own, to guarantee the safety of a criminal of the magnitude (?of Noreiga). [end recording]

[Garmat] We then pressed him, asking him whether as a Panamanian citizen he would would support the U.S. Army storming the embassy. This was his reply:

[Begin Arias Calderon recording] I think that possibility is excluded because of, one, all the respect due to the diplomatic institution of the Vatican Embassy and, two, the respect and affection in which the nuncio is held. [end recording] [passage omitted].

Linares Discusses Talks on Noreiga's Asylum

PA3012013489 Panama City RPC Radio in Spanish 2240 GMT 29 Dec 89

[Text] Foreign Minister Julio Linares today said that the Panamanian Government has not been officially advised by the Vatican about the possibility of granting Manuel Antonio Noriega political asylum. Foreign Minister Linares said: We have received no official notification from the Vatican regarding the possibility of granting Manuel Antonio Noriega political asylum. Linares reiterated that the new government is talking with the nunciature to find the best possible solution to the problem. The foreign minister confirmed that President Guillermo Endara has sent a letter to Pope John Paul II stating that Noriega cannot be considered a political refugee, noting the constant danger to Panama should Noriega be allowed to act freely in a foreign country.

Meanwhile, Vice President Guillermo Ford, planning and economic policy minister, said Noriega is not being given political asylum because the Holy See does not grant political asylum. In reference to the criticism being made in light of the nunciature's attitude, Ford and Linares said the nuncio deserves the respect of the Panamanian people. According to statements made by Vatican spokesman Joaquin Navarro Vals, Noriega has been granted temporary political asylum. According to Navarro, Nuncio Jose Sebastian Laboa made this decision after much thought.

No Response to Endara Letter to Vatican Yet

PA3012015789 Panama City Circuito RPC Television in Spanish 0014 GMT 30 Dec 89

[Statements by President Guillermo Endara Galimany to unidentifed reporters in Panama City on 29 December—recorded]

[Text] [Reporter] Mr. President, what was the response to the letter you sent the Vatican about General Noriega's extradition?

[Endara] The Vatican has not responded yet. We sent the letter on the night of 28 December, and truthfully, we are not expecting a response so quickly.

[Reporter] What is the Panamanian Government's position on this matter?

[Endara] The Panamanian Government's position is that Mr. Noriega, former dictator Noriega, is not worthy of being in a nunciature and benefitting from its hospitality. Mr. Noriega has committed all sorts of common crimes, including homicide, drug trafficking, torture, and all sorts of other horrible crimes against the Panamanian people and friendly nations. We, thus, consider that the nunciature [corrects himself] that the papal state should ask the nunciature to invite Mr. Noriega to leave its premises.

Linares Comments on Noriega's Alternatives

PA3012030089 Panama City Circuito RPC Television in Spanish 0013 GMT 30 Dec 89

[Text] Foreign Minister Julio Linares has stated that the national government is continuing to hold talks with the

Apostolic Nunciature regarding former dictator Manuel Antonio Noriega's final destiny.

[Begin Linares recording, in progress] ....describe if General Manuel Antonio Noriega should or should not have been given asylum, refuge, or protection at the Apostolic Nunciature because it does not befit the government's responsibility to do so. However, in Gen. Noriega's case, I do want to take this opportunity to state that both the Panamanian Government and myself are convinced that the Apostolic Nunciature proceeded, not only in total good faith, but also taking into account what it considered most convenient for our country when it made such a difficult decision. We have been talking with the nunciature to find the best possible solution. Evidently, at the proper time, the Panamanian Government will have to state its position.

[Reporter] What are the options left for Mr. Noriega at this time?

[Linares] Well, the nunciature did not give him political asylum and took him in as a refugee. In my opinion, the Holy See's options in this specific case are the following: First, if it considers Gen. Noriega a politically persecuted person, it will ask the Panamanian Government to extend safe travel for him to a foreign country. If this occurs, we will then study the case and respond.

The other alternative is for the Vatican to consider Gen. Noriega not a politically persecuted person but a common criminal. If this second hypothesis occurs, it has two possible alternatives: Either they give Gen Noriega to the Panamanian Government, as the Apostolic Nunciature is in Panamanian territory, or they give him to the U.S. Government, as it has addressed them and asked them to deliver Gen. Noriega to the United States. The United States' request is based on the fact that Noriega is being requested in State of Florida courts to face charges presented against him. These are the existing possibilities. [end recording]

Linares Views Government's Position on Noriega

PA3112031289 Panama City Telemetro Television in Spanish 0022 GMT 31 Dec 89

[Text] Foreign Minister Julio Linares has commented on the appointment of the new Panama Canal administrator and the national government's position regarding General Manuel Antonio Noriega.

[Begin Linares recording] There is a law stating that the Panama Canal administrator must be appointed by the National Assembly. We are not a de facto government. We are a legitimate and legal government. We are legitimate because we won the elections by a ratio of 3 to 1. We are a legal government because the Electoral Tribunal proclaimed Guillermo Endara as president of the Republic. We are going to wait for the installation of the National Assembly to either repeal that law or appoint a new administrator.

Panama's stand on General Noriega depends on the Vatican's stand. I see the following alternatives: One, that the Vatican decides that General Noriega is a political refugee. In that case, you already know that President Endara has publicly said that it is his opinion and that of the government that Noriega is not a political refugee but a common criminal. In that case, there would be a conflict of opinions. The second alternative would be that the Vatican declares Noriega a common criminal, accused of common crimes.

These are the two options. Either the U.S. Government hands him over to Panama as the territorial sovereign, in which case he would be handed over to the Foreign Ministry as a liaison body, which would in turn hand him over immediately to the Ministry of Government and Justice to take the appropriate steps. The other alternative would be that the Vatican hand him over directly to the United States, since the United States is claiming him directly from the Vatican because there are legal proceedings against General Noriega in Miami.

[Reporter] What can you tell us about the incidents at the Cuban and Nicaraguan embassies?

[Linares] That will be considered in due time. [end recording]

Endara: U.S. Will 'Take Charge' of Noriega

PA3112174889 Panama City Circuito RPC Radio in Spanish 1722 GMT 31 Dec 89

[Text] This is President Guillermo Endara speaking after attending mass at the Don Bosco Basilica this morning:

[Begin recording] [Endara] The pope will not hand Noriega over to us simply because at present we are not in a position to handle the proper legal proceedings. I think, however, that the pope should invite Noriega to leave the nunciature. The nunciature is a holy place, but Noriega is a common criminal.

[Reporter] How much time will you people give the pope to make a decision?

[Endara] We are not giving the pope any time limit. Keep in mind that the pope is our pope, our beloved holy father. I believe, however, that the pope will take action as soon as possible. When the pope makes Noriega come out, the U.S. authorities will take charge and take him to the United States because of the harm that Noriega inflicted on the U.S. people with his drug trafficking. [end recording]

Attorney General Wants Noriega Turned Over

PA3012195689 Hamburg DPA in Spanish 1927 GMT 30 Dec 89

[Text] Panama City, 30 Dec (DPA)—Attorney General Rogelio Cruz said today he will insist that the Apostolic Nunciature in Panama turn over deposed General Manuel Antonio Noriega to "Panamanian justice."

Cruz, in statements made over the telephone to DPA, said several proceedings against the Panamanian strongman have been initiated in various agencies of the Attorney General's Office. On 24 December, deposed General Manuel Antonio Noriega entered the Apostolic Nunciature to prevent U.S. troops from capturing him and taking him to Florida, where he has been charged with drug trafficking and money laundering.

To Request Arrest of Noriega 2 Jan

PA3112160889 Panama City Circuito RPC Television in Spanish 1544 GMT 31 Dec 89

[Report by Omaira de Leon de Watson]

[Text] In a news conference, Panamanian Attorney General Rogelio Cruz just reported that on 2 January the Panamanian authorities will request that Manuel Antonio Noriega be arrested. Cruz also said that the three Electoral Tribunal magistrates will be brought to trial for hampering public business.

Attorney General Comments

PA3112170989 Panama City Circuito RPC Radio in Spanish 1609 GMT 31 Dec 89

[Text] Attorney General Rogelio Cruz expanded on a report given to the press a few minutes ago on Manuel Antonio Noriega.

[Begin recording] [Cruz] There are several things that can be mentioned in addition to the explanation I gave you reporters. I am asking for your understanding. I can only mention a few things. I regard one of these questions as fundamental because it deals with human life.

Although I have been in this profession for 25 years, I was deeply moved yesterday when I saw the pictures of 10 of the 11 soldiers who were killed on 3 October. I have been thinking a lot about what I should say in this regard. There is no doubt—and we have the evidence to prove it—that those men were shot after they surrendered and in a place other than where they surrendered.

I do not want to give many details. I should not, because the investigation could be harmed. If you will allow me, I would like to stop at this point. I can say, however, that this investigation began several days before I became attorney general. I would say this investigation is almost complete. I do not think I should provide any additional information, except to say this:

You can rest assured that we will request a trial for the culprits, and we will request their preventive arrest; and we will ask whoever has any of the culprits to turn them over to us so they may be tried according to Panamanian law.

[Reporter] Do you have clear and firm evidence that can be used at Gen. Noriega's trial?

[Cruz] Yes. Does that answer your question?

[Reporter] Yes. Will you request that Gen. Noriega be turned over to you?

[Cruz] We will request a trial for Manuel Antonio Noriega, and we will request his preventive arrest. We will also request that Manuel Antonio Noriega be turned over to us. Is that clear enough?

[Reporter] When will you do it?

[Cruz] On Tuesday, 2 January, or sooner.

Endara: Legal System Not Adequate for Noriega

PA0201021890 Panama City Circuito RPC Television in Spanish 2343 GMT 1 Jan 90

[Text] President Guillermo Endara Galimani has said that the Panamanian legal structure is not adequate to try Manuel Antonio Noriega for drug trafficking and other crimes as the maximum penalty in our country is 20 years and this penalty is not enough for Noriega to pay for his crimes. The following are the president's statements:

[Begin recording] [Endara] At this time, we must accept that we are having difficulties. We do not have an appropriate penitentiary system; A penitentiary system that ensures that Panamanians are given their rights and the rights that criminals themselves deserve as human beings. We are also in the process of reforming our judicial branch. At any moment we will designate new Supreme Court justices. They are going to be people who would honor any supreme court in the world. They are going to be the best and most independent Panamanian attorneys. I will promise both God and the people that I will never try to influence the Supreme Court. However, at present we do not have these conditions. Thus, at this time, although we have charges against General Noriega, our Dictator Noriega, we do not have penitentiary facilities or the legal institutions to bring him to trial. What really has to be done, according to international law and human reason, is for the Holy Pope, whom we respect so much, and Msgr Laboa, whom we love so much because he helped us so much—for 7 ½ years he helped us try to attain freedom and democracy here in Panama—say once and for all that Noriega does not deserve to be granted refuge in the house of God, that he is a common criminal of the worse kind, and that he must leave the sacred premises of the Holy See's diplomatic installation. Once this is done, we are sure that U.S. officials will take charge of him and take him to the corresponding courts. After U.S. officials end their business with him, we will have the opportunity to ask that he be extradited to Panama and make him pay here for all the crimes that he committed in Panama. But, right now, they should give him to U.S. officials.

[Reporter] Do you plan to militarize the Public Force?

[Endara] Militarize? The main tasks of the Public Force at present is police and traffic work. Necessary military functions are to be considered step by step and very carefully. The Panamanian people do not want to relive the horrible past 20 years. The Public Force does not want to go through it again either. We will not allow this to ever happen again. So, the military functions are to be considered step by step, with consideration and a great amount of respect for what the people want. [end recording]

Papal Envoy Berloco Arrives at Vatican Embassy

LD0201151790 Vatican City International Service in English 1445 GMT 2 Jan 89

[Text] The Vatican confirmed today that it has sent a special envoy to Panama to help its papal nuncio there deal with the crisis over deposed leader General Manuel Noriego. Chief spokesman Joaquin Navarro-Valls told journalists that the Holy See's diplomatic adviser, Monsignor Giacinto Berloco, has arrived at the embassy to give a hand in the negotiations over Noriega's fate.

I can confirm that Berloco is there, Navarro said in an early afternoon briefing; he went there to help. There is more work there these days. Monsignor Berloco is a specialist in Latin American affairs with particular expertise in Cuba and Nicaragua. He will help Papal Nuncio Archbishop Jose Sebastian Laboa try to end the 9-day standoff that began when Noriega took refuge in the Vatican Embassy on Christmas Eve. The Vatican has said it is trying to persuade Noriega to leave the mission of his own free will.

Bishops Want Noriega Turned Over for Trial

PA3012153389 Panama City ACAN in Spanish 1501 GMT 30 Dec 89

[Text] Panama, 30 Dec (ACAN-EFE)—Panamanian Catholic Bishops have asked Pope John Paul II that General Manuel Antonio Noriega, who received sanctuary at the Vatican Embassy, "be turned over for trial" under certain conditions, it was reported today.

In a letter dated 29 December addressed to the pope from the Panamanian Bishops, the bishops point out that "certain guarantees for [Noriega's] physical and personal safety," must be ensured.

The bishops mention among the guarantees the exclusion of the death penalty, humane treatment, a fair trial, and that Noriega stand trial "only for specified crimes."

The bishops' letter has the support of Papal Nuncio to Panama Sebastian Laboa, who confirmed this to ACAN-EFE. Laboa insisted that "from the beginning, we have combined the defense of the right to seek asylum with the need to turn Noriega over for trial."

Bishops' Letter to Pope on Noriega Situation

PA3012172589 Panama City Circuito RPC Radio in Spanish 1616 GMT 30 Dec 89

["Text" of letter from the Episcopal Conference to Pope John Paul II—dated 29 December in Panama City]

[Text] His Holiness John Paul II, Vatican City

Your Holiness:

The undersigned, bishops from the Panamanian Episcopal Conference [CEP], fraternally and affectionately greet you.

On 22 December, 2 days after the military action was unleashed in our country, the CEP issued a communique expressing the suffering as well as the hopes of these people, and recommending feasible and immediate solutions. At this time the pacification process and the orderly return to free, decent, and democratic life for all Panamanians—a goal that will demand enormous efforts and timely assistance—is morally hindered as long as former general Manuel Antonio Noriega remains at the nunciature in Panama.

In a recent statement, Panamanian Archbishop [Marcos Gregorio McGrath] and the two auxiliary bishops of the Panama Archbishopric, expressing the viewpoints of all the bishops, issued to the local and international media a letter pointing out:

1. The timely decision to give sanctuary to Mr. Noriega at the nunciature because this action ended his regime and the bloody struggle he was waging.

2. The support for the papal nuncio's efforts before the Vatican in favor of the pacification of our fatherland.

In this same spirit, for the same purpose, and in full agreement with the nuncio himself, we believe it is important—as a severely affected party—to convey our modest viewpoints to Your Holiness, as a contribution to the solution of such a thorny situation. We are aware of and support the practice of granting political or territorial asylum or shelter.

During the past few years, several Panamanian citizens have had to use these same means to avoid the fury of General Noriega's regime, thanks to the protection of the Apostolic Nunciature in Panama. In this manner, the Mother Church maintains its secular attitude of receiving and protecting anyone who requests such protection, even if that person is a sinner.

This case has very special characteristics, to the extent that the mere possibility that former Gen. Noriega not be brought to justice provokes justified shivering and fear among our population and particularly among members of the Church. These sentiments stem from two facts:

1. It is the case of an individual who has committed abominable crimes, who has destroyed his people and his own nation, who stubbornly maintained his cruel and evil conduct to the end.

All of this has been duly and constantly documented in its most relevant aspects, for example, in statements made by the Panamanian bishops, the Panamanian Human Rights Commission, and the recent publication of the Organization of American States [OAS] regarding the situation of human rights in Panama.

We must recall that the OAS Human Rights Commission stated in a recent resolution, and I quote: The commission adopted a resolution finding the government of that country responsible for the death of Hugo Spadafora, as stated in the chapter on the right to life in this report. OAS 9 November 1989. End of quote.

Obviously, in finding the Panamanian Government guilty, that commission condemned Gen. Noriega as the person who made all the decisions in Panama.

2. During the past few days, more details have been disclosed regarding such sad things as torture chambers, the dictator's luxurious and detestable personal lifestyle, the enormous arms and ammunition supplies, which were enough for a prolongued guerrilla-type resistance, the quantities of drugs found in his homes and offices, and the evidence of santeria, witchcraft, and other mysterious rituals found in the homes of the former general.

On the other hand, it is feared, with good reason, that should Noriega be set free anywhere in the world, he would soon be provoking riots, conflicts, and violence in this long-suffering nation.

For all these reasons, we deem it absolutely necessary that former Gen. Noriega be turned over to justice.

By the way, it is advisable—and the spirit that protects the Church demands it—that certain guarantees for his physical and personal well-being are previously established, such as the exclusion of capital punishment, humane treatment, and an honest and fair trial according to due process. He should only be tried for specified crimes. In this regard, humanitarian norms are well-known.

As for the country that will try him, it will first depend on the Panamanian government as well as on any possible extradition arrangements that may be made according to existing treaties.

Our Holy Father, we know that jurists and other experts serving the Vatican are well aware of these matters. We are especially familiar with the kind heart with which His Holiness shares the sorrow and hopes of this people, which gives us the confidence to write you this letter.

Respectfully yours, Your Holiness, sons of the Lord requesting your apostolic blessing.

The signatures of all the bishops of Panama follow.

Note: The following have asked to be included in this letter, which was issued by the Panamanian Episcopal Conference: The Council of Advisors, the Presbyterian Council, and the Archdiocesan Commission for Lay Coordination and Activities of the Panama Archdiocese.

This was the text of the letter sent to Pope John Paul II by all Panamanian bishops.

McGrath Comments on ADOC Triumph, Noriega

PA3112044089 Panama City Telemetro Television in Spanish 0041 GMT 31 Dec 89

[Text] Archbishop Monsignor Marcos Gregorio McGrath has stated that the Catholic Church is convinced that ADOC [Civic Democratic Opposition Alliance] candidates won the 7 May elections and thus, the government headed by Guillermo Endara is legitimate.

Referring to the U.S. invasion, McGrath issued a call to the U.S. Government to turn over control of Panama to the new government as soon as possible.

[Begin McGrath recording] This is a legitimate government. The fact that it took office late does not diminish its legitimacy. However, the legal aspect is another matter. According to the constitution, the votes must be counted and the Vote Counting Board or the Electoral Tribunal, in special cases, must announce the winner. This was done now, it seems, to meet that requirement. I hope that this will comply with the legal aspect, thus pleasing other nations of the world. [end recording]

In addition, McGrath, who was at the Vatican mission when Noriega arrived there, referred to the situation at the nunciature.

[Begin recording] [McGrath] When the military action began, people were constantly calling and telling me: Leave your house as your are on the Dignity Battalions' list. They may decide to seek revenge because the intervention was carried out. This is why I went to the nunciature. I spent 4 days there. I went there because I could maintain telephone contacts and people could visit me. However, on Sunday, 24 December, I decided to leave because things seemed calm. I wanted to be home to [words indistinct] that was the day the general arrived at the nuncio's.

At approximately 1330, the nuncio told me: General Noriega just called to say that he wants to come here. An hour later, he arrived. I did not see him up close. I saw him from afar. He arrived in a car driven by other people. He entered the nunciature alone. I did not talk with him, and half an hour later, I left for my home. I am glad, because the people confuse the local church with the nunciature and had I remained there longer, there would have been further confusion. This matter pertains to the nuncio, it is his diplomatic duty.

I have returned to the nunciature several times to consult with the nuncio about various matters, particularly to express support for him, a support evidenced in letters you have seen.

I did not see the general during this visit. He is in his bedroom on the second floor. I have been in and out of the nunciature without looking for or finding him.

Obviously, the tension at the nunciature is very high. This is a result of the rock music that is being played very loudly, the many troops surrounding it, and the people who are being kept at a distance and who are very curious as to what will happen.

One thing that is true and evident because journalists have already reported it, is that the number of people inside the nunciature has decreased.

During the time I was there, there was a maximum of 15 people. This gives the impression that the nunciature has become a hotel. [laughter]. Cots and mattresses are set up. Men are placed in one room and women and children in another. However, these people have to adjust to our limited space under the circumstances.

But most of these people have been leaving. There are actually four or five people inside the nunciature; perhaps not, perhaps there are seven or eight.

[Reporter] Who, specifically?

[McGrath] I do not know if I am authorized to say. In general, they are political refugees. I imagine they will eventually leave the building. If they do not get diplomatic asylum from another country, they will have to leave. [end recording]

Msgr. McGrath also justified the temporary asylum the nuncio granted Noriega and referred to combining santeria and witchcraft with power. Evidence of this and drugs were found in the former dictator's offices and houses.

[Begin McGrath recording] Many people did not understand why the nuncio received Noriega. People began to say: What is this? Why is the church giving refuge to a criminal? However, they forgot two things: Anyone, regardless of how criminal he may be, can seek refuge in a church. This is a very old tradition. It is a tradition and is now usual practice in the diplomatic relations among embassies and is mentioned in international agreements. Once a person enters an embassy, it is up to the embassy to establish what kind of asylum it will grant.

Regarding the note we sent to the pope yesterday expressing support for the nuncio, we explained to the pope the magnitude of the problem that Noriega has posed for this country. He is not just any refugee. He is, as the letter signed by all the bishops states, the mastermind of many crimes in this country. He is responsible for them. He is also responsible for actions that were truly destroying the country and people. [end recording]

McGrath Says Noriega Should Decide Own Future

PA0101211390 Paris AFP in Spanish 1959 GMT 1 Jan 89

[Text] Panama City, 1 Jan (AFP)—The Panamanian Catholic Church said today that former general Manuel Antonio Noriega, who has taken refuge in the Apostolic Nunciature in the wake of the U.S. invasion that ended his regime 12 days ago, will be the one who finally decides his own future.

Archbishop of Panama Marcos McGrath said that Noriega should choose "what is best for him soon," whether to remain in the nunciature, or surrender to the Panamanian Government or U.S. authorities, but "I do not really see how he could be forced to make a decision."

After celebrating a mass broadcast over television, the prelate added in statements to the press that the former Panamanian strongman is entirely aware of what is happening around him, because he listens to the radio and watches television, "and what he hears is having an impact on him."

When asked if he believed Noriega would abandon the nunciature, as both the Panamanian and U.S. Governments are requesting, the bishop said that "is the million dollar question and I do not have the answer for it."

McGrath also noted that, although the Panamanian Catholic Church is not the same as the nunciature, which is the Vatican's diplomatic representation, the Panamanian bishops support Nuncio Sebastian Laboa's decision to give refuge to Noriega because it avoided the prolongation of combat after the invasion took place.

Last week 12 Panamanian bishops sent a letter to Pope John Paul II, requesting that Noriega be turned over to justice, with the condition that he be given a fair trial and that his life be respected.

On another matter, McGrath confirmed the existence of a list found at the Defense Forces headquarters that proposed the physical elimination of bishops and politicians linked to the opposition and even in Noriega's now deposed government.

The prelate did not give the names included in the list. The list had been reported previously by the U.S. Southern Command's Channel 8 Television Station in the Canal Zone.

Duque Says Noriega Should Surrender

PA3012034489 Panama City Telemetro Television in Spanish 2348 GMT 29 Dec 89

[Interview with Carlos Duque Jaen, president of the Democratic Revolutionary Party, PRD, by a reporter whom Duque refers to as Ortega, no place or date given—recorded]

[Text] [Ortega] Dear viewers, I am with Carlos Duque Jaen, president of the Democratic Revolutionary Party, whom I will ask a number of questions regarding the latest events.

First of all, what, in your opinion, does the Electoral Tribunal's decision to designate or proclaim Guillermo Endara Gallimany as president of the republic mean? As the PRD's political leader, will you accept this decision?

[Duque] Thank you, Ortega. First of all, I must explain that I was a presidential candidate nominated by eight national parties. From the moment of my nomination to run in the 7 May elections, which was a constitutional mandate, I pledged to accept the Electoral Tribunal's decisions. During the campaign I always maintained a dignified, respectful attitude. I carried out an intense, 90-day campaign, during which I called for respect. The campaign was characterized by mutual respect.

As a result of the events that took place during the days following 7 May, the Electoral Tribunal decided to annul the elections. I (?protested) against this decision, and even presented an appeal of unconstitutionality, alleging that the Electoral Tribunal could not annul the entire election, it could only annul it partially, wherever there may have been irregularities. I said that the same resolution should have called for new elections if that was the case, because I thought that the entire electoral process should have been eliminated [evacuado] at the time. In reality, when one participates in an electoral contest someone wins and someone loses.

In this case, the Electoral Tribunal has recounted the vote tally sheets, to which—I must explain—I never had any access, nor did I exert any type of pressure whatsoever on the Electoral Tribunal or any electoral body. The Electoral Tribunal has reconsidered and revoked the resolution issued on 10 May. I accept and observe the Electoral Tribunal's decision, and I am asking all of my fellow party members and all the political parties that supported us, to observe and support the Electoral Tribunal's decision and accept President Gallimany's new government.

[Ortega] The situation is returning to normal, but there are still small redoubts of people seeking violence and the current government's destabilization. What message would you offer now, when the country is on the path to progress?

[Duque] Look, by training and principle I have always opposed violence. In this case I am asking those people who are still maintaining that attitude to lay down their weapons and to cast aside hostility and resistance. Instead, we must make a joint effort to work together on the path to the unification and reconciliation of all Panamanians. Among his earliest statements, President Endara Gallimany said that his government would be one of reconciliation, of the unification of the great Panamanian family. I believe that in the current situation we should observe the decisions that emerge from the government.

[Ortega] The focus of attention is currently on the Apostolic Nunciature where General Manuel Antonio Noriega is staying. You know him well. In your opinion, what role should he play now, when the country is still in a state of uncertainty and will remain that way until his status is defined?

[Duque] Ortega, I believe that under these circumstances, for peace, for Panama's tranquillity, so tranquility can once again prevail in Panama, General Noriega should surrender to the Panamanian authorities; he should surrender—I repeat—for everyone's well-being, to the Panamanian authorities. The Panamanian authorities must make the decision.

[Ortega] In response to the current government and political situation, what position will the PRD adopt in the future?

[Duque] I believe that the political parties' legitimacy must be maintained. There should be democratic interaction among the political parties. The political parties are institutions that prevail, that have philosophies. In my case, in my political party, we have always believed in and called for dialogue among Panamanians. I believe that the legitimacy of the political parties should prevail, and I do not have the slightest doubt that, as President Endara Gallimany has reiterated, his will be a democratic government for the reconciliation and unification of Panamanians.

Civic Crusade to Hold Mass Rally on 3 Jan

PA0101175290 Paris AFP in Spanish 1624 GMT 1 Jan 90

[Text] Panama City, 1 Jan (AFP)—The National Civic Crusade (CCN), which led the repressed opposition demonstrations of the past 2 years in Panama, has scheduled a "mass" rally for 3 January in Panama City to request that the Army be abolished and that General Manuel Antonio Noriega be turned over to the United States.

"We want the Vatican to turn over Noriega to the United States," explained a spokesman for the CCN, an organization formed by more than 100 business, political, teacher, and student groups.

Guillermo Endara's government, the Catholic Church, the progovernment press, and the United States are demanding that Pope John Paul II surrender Noriega, who sought refuge at Panama's Apostolic Nunciature on 24 December after U.S. troops toppled his regime.

The Panama Defense Forces, which Noriega led since 1983, were dismantled after the invasion, and the new government announced the creation of a "Public Force" with police and traffic functions.

Commentary Demands No Impunity for Noriega

PA2912182489 Panama City Radio Soberana Civilista in Spanish 1658 GMT 29 Dec 89

[Station commentary: "Impunity and the Vatican"]

[Text] Impunity and the Vatican. The Vatican State is playing a very important role in the Panamanian struggle. He who urged the mobs of journalists to publish all sorts of epithetic expressions of the worst kind against priests, has sought refuge at the Vatican Embassy in Panama.

There is much indecision and fear by the church authorities, thereby creating greater uncertainty for the people because under the pretext of humanitarian protection, the bloodthirsty dictator is being offered security, which he does not deserve.

The attitude of the Vatican as a state promotes impunity for crime, assassination, drug trafficking, corruption, and so many other common crimes that must be faced by Noriega, the fugitive.

The Panamanian people are not willing to tolerate impunity, even though it is being promoted by the Holy See and the priests.

The Panamanian Ecumenical Council is the best witness of the outrages committed against Panamanian citizens. It has witnessed the violations and crimes committed against its own members. These crimes cannot go unpunished by law.

The attitude of Vatican Ambassador Sebastian Laboa, the apostolic nuncio, is unacceptable and incomprehensible. He denied protection to innocent Panamanians but has, however, refused to turn over a man who should be turned over to the Panamanian authorities for trial. The resentment being created by the Holy See among Panamanians should not be increased, because just as we have been loyal and supportive of our church, parishioners and the people in general expect the Vatican diplomatic corps to avoid actions we could later regret.

The delay in turning over the fugitive has been interpreted as a guarantee of the impunity provided by the Vatican. The Panamanian people will not allow this to happen. Those who are in charge of making the decision should understand this.

Enough of delays and desperation. We have to lead the country toward the consolidation of our democracy so we can live in freedom and justice. However, the position adopted by the Holy See does not seem to contribute toward those achievements in a rapid manner without risks.

Panama is a community of people who have suffered and who have been humiliated because of the criminal actions carried out by Manuel Antonio Noriega. Many people are still missing because of the assassinations ordered by the dictator.

The ambassador of the Holy See and Pope John Paul II must now show their feeling of solidarity and loyalty with the Panamanian people, which they so often proclaimed.

Their prayers were heard and now it is their turn—because God intended it—to prevent impunity from being the reward for a criminal of the worst kind. No impunity, gentlemen from the Vatican. Divine justice has prevailed and we expect man's law to prevail as well.

Editorial Urges Vatican To Decide on Noriega

PA3012223589 Panama City LA ESTRELLA DE PANAMA in Spanish 30 Dec 89 p4

[Editorial: "The Vatican Should State Its Position"]

[Text] Within the gamut of the remarkable events that have occurred in this country since 20 December, which have jolted national awareness, there is one event that has logically increased the Panamanian people's nervousness. This event is the presence of Gen Manuel Antonio Noriega, former commander of the Panama Defense Forces, in the Vatican's Nunciature, be it as a visitor or as person granted asylum. Ever since it was known that Noriega was there, the nunciature has been surrounded by U.S. troops and besieged by hundreds of Panamanian citizens of all ages. The former, as well as the latter, want Noriega to be handed over to the U.S. authorities to be tried for the many common crimes he has committed.

Many Panamanian political sectors have been making all kinds of statements against Msgr Sebastian Laboa, the Vatican's representative in Panama, trying to pressure him to hand over Noreiga to the U.S. soldiers. According to those statements, the nature of Noriega's crimes do not justify the asylum or protection he is now getting from the nunciature. These pressures are increasing greatly. As days go by and no decision as to Noriega's fate is announced, there is an increase in the number of people surrounding the nunciature demanding that he be delivered to the U.S. authorities. It can clearly be seen that as long as Noriega remains at the nunciature, the U.S. troops will not leave the area, and neither will the crowds of Panamanians angrily demanding that he be handed over. This situation might lead to some hothead infiltrating the nunciature grounds and committing some rash act, setting off an act of violence that all Panamanians would later regret. Such an act, which would worsen the existing tension, could be averted if the Vatican would promptly define its position regarding General Noriega. As long as that position is not forthcoming, or until Noriega leaves the nunciature, there will be no peace and calm in the country.

We are perfectly aware of the slow diplomatic process involved in cases like this. However, in view of the lack of calm and irritation that Noriega's presence at the Nunciature is provoking among the Panamanian people, and the danger it constitutes, we believe this delicate matter should be settled promptly.

The country must return to normalcy as soon as possible. We must overcome all obstacles hindering that normalcy. We must avoid emotions from getting out of hand and creating more bloodshed. For the sake of national peace and human coexistence, the Vatican authorities must reach a decision regarding Noriega's embarrasing presence at the Apostolic Nunciature.

Station Demands Nuncio Hand Noriega Over

PA2912223089 Panama City Radio Continente in Spanish 1810 GMT 29 Dec 89

[Station commentary entitled "The Beast Must Not Return"]

[Text] On 24 December, in a strange and inexplicable manner, soldier Noriega evaded the surveillance of the people and the allied troops and, like a cornered rat, fled Panamanian and world justice and entered the Apostolic Nunciature. Several days have gone by; long hours, thousands of minutes, and millions upon millions of seconds have gone by. Like painful drops of time these fall on the shroud of the homeland. Noriega has still not surrendered and in this process of delay, each second that passes increases the torment and despair of a people who shudder in torturing pain because their demands for justice are being mocked. Each second of delay in the return of Noriega hurts national pride, the sovereign dignity of the country. Each second of delay and every little ploy is another insult to reason and fairness.

The most prominent Panamanian lawyers have made an in-depth study of the legal and diplomatic status of the nunciature's treacherous guest. Those lawyers have reached the conclusion that under no circumstances can soldier Noriega be granted the sacred right of asylum. Noriega cannot, and must not, be granted this type of asylum because he is not being persecuted for political or religious reasons. Do not forget, Mr Nuncio, Noriega is the most sinister and evil of all international criminals. And we repeat this for the nuncio's benefit, Noriega is the cruelest of tyrants, the savage who murdered his fellow countrymen, who stole his country's money and property, and who was involved in gun running to sow death and destruction in America and the whole world. With the most brazen treachery, Noriega negotiated for tons of cocaine to go to U.S. children and the h market. The Panamanian people and the world, the lawyers, doctors, political scientists, priests, men, and women, know that Noriega is not being persecuted for political reasons, that he is not being sought because of his ideology, that he is not being accused of lacking religious principles. In addition to being an assassin and thief, Noriega has no political party, has no political feelings, has no religion. Noriega does not have patriotic lineage. Noriega has nothing. Noriega does not even have a soul. Noriega is what we said he was yesterday, Satan's pride and God's shame.

The people, and the Nuncio should know this, will not allow the beast to escape. This people will remain on permanent vigil around the nunciature to keep Noriega from receiving the benefits of asylum and exile. That we will never allow; never, never.

The Panamanian people will pray constantly,with hands united and raised toward God in fervent prayer. The people will remain on Balboa Avenue and will not allow the beast to pass, not by land or sea, much less by air. Nuncio Laboa better hear this. The people will only allow Noriega to walk among the people when he is being escorted to a Panamanian or Miami jail to be tried as the most abominable criminal born on Panamanian soil.

Msgr Laboa, the creator of this whole problem because he refused to deny asylum to Noriega, knowing that he is a criminal and drug trafficker, must tell the Pope that it is time to put an end to this ordeal to which the people of Panama and the nation are being subjected. Laboa must ask the Pope to order Noriega's return so that he can be tried by man's justice. At the moment this occurs, then Laboa can begin to pray, and continue to pray until the end of time, for the soul of the beast. Then Noriega will have to come face to face with God. That day, a day of joy for everyone, will be the day of Noriega's final judgment. On that day, he will be tried and condemned for his loathsome actions.

Not a single day more, not a single day more, and Nuncio Laboa must know this, not a single day more.

Editorial Calls for Justice, Reconciliation

PA2912161589 Panama City EL SIGLO in Spanish 29 Dec 89 p 2

[Editorial: "The People Want No Revenge, the People Are Clamoring for Justice"]

[Text] Some people believe that everything is over, but actually, everything is just beginning.

There is no effect without cause and vice versa. This leads to an uninterrupted chain of cause, event, and effect.

When an event is as traumatic and painful as the one we are now experiencing, a foreign invasion that no conscientious Panamanian wanted and that we all deplore, it is important to view things in the correct perspective. The invasion was caused by Panama's virtual inability to rid itself of a brutal dictatorship that committed all manner of crimes during its 21 years, 2 months, and 9 days of existence.

In view of the murder and merciless beheading of Dr. Hugo Spadafora, the murder of priests Hector Gallegos and Nicholas Van Kleef, and of civilians and soldiers Edwin Amaya, Leopoldo Aragon, Floyd Britton, Jorge Falconett, Andres Fistonich, Jorge Tulio Medrano, Dorita Moreno, Marlene Mendizabal, Serafin Mitrotti, Luis Carlos Monterrosa, Ruben O. Miro, Waldomero Osorio, Tomas Palacios Salinas, Heliodoro Portugal, Walter Sardinas, Eduardo White, Rita Wald, Humberto Montenegro, to mention only a few; in view of the psychological and physical torture of hundreds of Panamanians in the dictatorship's underground jails; in view of the violation of the most basic human rights of thousands of Panamanians; in view of the crime against humanity of turning the country into a sanctuary for drug trafficking and transshipment, laundering of drug money, drug sales, and so on; in view of electoral fraud, political corruption, and illegal enrichment; in view of the stealing of public funds belonging to the people, the adulteration of contracts to favor a minority that has illegally enriched itself; in view of inflated prices, unjustified charges, stealing of budgeted funds, and so on; in view of crimes such as corruption of minors, male and female prostitution, and the use of sex to degrade human beings; in view of the gagging, closure, and persecution of newspapers, radio and television stations, and journalists; in view of the expatriation and exile of thousands of Panamanians; in view of the state policy of isolating Panama that turned it into an international outcast; and in view of the disgrace of virtually turning over our country to lesser countries such as Cuba, Nicaragua, and even Libya, to mention only a few crimes, we ask: Does this mean that we must now act like criminals? No!

However, there must be justice now.

Otherwise, we would be doing as they did; we would be giving the enemies of good the sacred right to judge—that is now our right.

Justice must be served if we aspire to have a legal state. Those who have committed crimes must be impartially tried and we must as soon as possible return property to those who lost it unjustly.

Crimes cannot remain unpunished. Only justice can prevent crimes such as those that have brought about the painful situation that we are facing from being repeated.

Violations of the right to life, freedom, and personal integrity must be tried.

Misappropriations and swindles against the treasury and people must be tried.

Abuses of authority must be tried.

Everything must be judged, even our actions. We must judge with firmness while ensuring that this firmness does not lead us to the degradation that we are combating.

The establishment of a specialized office or "commission" tasked with investigating charges filed by affected citizens is a necessity, because of the many crimes committed during the dictatorship. This office or investigative commission must receive all the facilities and resources it needs to investigate the charges and meet the demands for justice by compiling all the necessary evidence and it must issue rulings.

This would be a way to end this horrendous nightmare that a majority of Panamanians have suffered for more than 2 decades.

We would like to see the country's moral and physical reconstruction begin immediately. We would like to see a true and dignified reconciliation among Panamanians. We would like to see the materialization of the lengthy struggle waged by our people within an atmosphere of absolute freedom, justice, and democracy.

Panamanians only wish to see justice served to ensure that they will never again feel the pain and humiliation that they felt during one of the worst and most corrupt dictatorships in history.

Minister Says No U.S. Troops Beyond Year 2000

PA3012004389 Paris AFP in Spanish 2353 GMT 29 Dec 89

[Text] Panama City, 29 Dec (AFP)—Panama's new Foreign Minister Julio Linares said today that Panama will not extend the presence in this country of 12,000 U.S. soldiers beyond the year 2000, and that the United States must fulfill the Torrijos-Carter canal treaties.

"The U.S. troops must leave Panama on 31 December 1999, as stipulated in the canal treaties, and we are not going to extend that presence," even though the country is currently invaded by the U.S. Army, Linares told AFP.

The Panamanian foreign minister disclosed that President Guillermo Endara's government wants the 24,000 troops that occupied Panama 9 days ago and toppled General Manuel Antonio Noriega to leave the country "as soon as possible."

Nevertheless, Linares did not specify a withdrawal date for the troops sent by the Pentagon, whom the government has described as an "allied liberation Army."

Linares [word indistinct], not a U.S. puppet," [no opening quotation mark as received] and "was elected by a majority and proclaimed by the Electoral Tribunal."

The president, who was sworn in after the military operation carried out by Washington on 20 December, also warned in the letter that the former "strongman" represents "a danger for Panama's stability if he can act freely abroad."

Linares disclosed that Costa Rica, Guatemala, El Salvador, France, Great Britain, Spain, the Holy See, Taiwan, Switzerland, South Korea, Poland, FRG, Japan, Philippines, and Italy have announced that they will continue normal relations with the new Panamanian regime.

The Panamanian foreign minister evaded comment on an eventual break with Cuba, Nicaragua, and Libya, but warned that "the subject will be considered over the next few days at a council of ministers."

Manfredo Assumes Office as Acting Administrator

PA0101183990 Panama City Circuito RPC Radio in Spanish 1834 GMT 1 Jan 90

[Text] Fernando Manfredo today became the first Panamanian to be appointed canal administrator since the waterway was opened to international maritime traffic in 1914.

Manfredo assumed office as acting administrator without any ceremony 2 weeks after 23,000 U.S. soldiers arrived in Panama. Manfredo has been deputy canal administrator for the past 10 years. One month ago, and after refusing to appoint Tomas Gabriel Altamirano Duque, who was proposed by the Noriega regime, U.S. President Bush asked Manfredo to assume the post beginning today.

National Government Holds First Cabinet Meeting

PA3112041589 Panama City Televisora Nacional in Spanish 2303 GMT 30 Dec 89

[Text] The National Government held its first cabinet meeting today at the Presidential Palace. Until now the government had been functioning at the Foreign Ministry building.

During the meeeting, Ricardo Arias Calderon, first vice-president of the Republic, announced that as a sovereign act as of tomorrow 31 December, INTERCOMSA [Intercontinental Communications Via Satellite, Inc.] will be part of the INTEL [National Institute of Telecommunications] structure, as had been agreed upon.

Guillermo Ford, second vice-president of the Republic, explained the situation of the Cuban enterprises in which General Noriega was a member of the Board of directors. Ford said:

[Begin Ford recording] It is important that you understand that this constitutional government will obey the law. Anyone who has violated the law will be tried by the judicial branch. We are not going to do anything arbitrarily. Woe to him who has violated the law [end recording].

Presidential spokesman Anel Beliz announced the measures adopted at the first cabinet meeting.

[Begin Beliz recording] Tomorrow's curfew will be decided on by each provincial governor, according to the existing circumstances in each area. The use of fireworks, detonations, or shots that might disturb public order during the New Year's celebrations are prohibitted. Because of the present situation these kind of activities would be dangerous.

I have an important announcement for industry and businesses. It has been decided to grant an extension for paying taxes and duties, without surcharges, interest, or fines of any kind until 30 January 1990. This will help the business sector while it reorganizes operations as a result of recent events.

Endara: 'Freeze or Seize' Noriega Assets

PA3012235689 Panama City ACAN in Spanish 2252 GMT 30 Dec 89

[Text] Panama City, 30 Dec (ACAN - EFE)—President Guillermo Endara today ordered the Comptroller General's Office to "implement and promote" throughout the world the "freezing or seizure and the later turning over to the Panamanian nation" of the assets of General Manuel Antonio Noriega.

In a letter to the Comptroller General, Endara asks him to take the necessary legal and judicial action both at home and abroad to "freeze or seize" all assets "owned or possessed by General Manuel Antonio Noriega."

This decision was made today at the first cabinet meeting held by Endara and his ministers at the Presidency after the Francisco Rodriguez administration was overthrown 10 days ago following a U.S. military invasion.

On many occasions, members of the new administration and their supporters have stated that Noriega has a vast fortune, estimated at several hundred million dollars, in banks and in properties in Panama and other countries around the world.

At the cabinet meeting it was also decided to extend the payment of taxes until 30 January, "without any surcharges, fines, or interest," for the businessmen who were affected by last week's looting. The businessmen have estimated their losses at approximately $2 billion.

It was also decided to ban fireworks, explosions, and the firing of shots to welcome the new year, because this might "disrupt the peace and quiet of the community."

A curfew is in effect in Panama between 2300 and 0500 hours.

Arias Views Government Priorities, Organization

PA3012191689 Panama City LA ESTRELLA DE PANAMA in Spanish 30 Dec 89 p 1

[Text] Dr. Ricardo Arias Calderon, first vice president and government and justice minister, has said that the government's priorities are focussed on the reestablishment of order, the organization of the Public Force, and the consolidation of a government of national reconstruction and reconciliation.

Arias Calderon told the press that the government will be recognized gradually as the parliament and supreme court are installed and the general situation returns to normal.

Arias Calderon revealed to LA ESTRELLA DE PANAMA that the National Department of Investigation (DENI) will be replaced by a judicial technical police, which will operate under the Attorney General's Office. He added that the immigration department and public transportation will be under civilian authority.

Meanwhile, Dr. Carlos Arellano Lennox, one of the vice presidents of the Christian Democratic Party, was appointed coordinator of the Legislative Assembly.

Arellano Lennox said he is presently carrying out an inventory of the assembly's assets and is making efforts to recover automobiles that belong to the assembly and that are in the hands of former legislators.

He also said the payroll is being reviewed because there is an excess of personnel.

Regarding the beginning of sessions of the new assembly, the Christian Democratic leader said that once the Electoral Tribunal counts the vote tally sheets, credentials will be handed out and sessions will probably begin in mid-January. He added that one of its first tasks will be the appointment of the comptroller general and assistant comptroller general.

Arias Rejects Judgment by Latin America

PA0101202490 Hamburg DPA in Spanish 1831 GMT 1 Jan 89

[Report by Esteban Engel]

[Text] Panama City, 1 Jan (DPA)—Vice President Ricardo Arias Calderon has said that most Latin American countries have absolutely no moral authority to judge the present situation in Panama.

Arias Calderon told DPA today that on repeated occasions he had informed Latin American politicians about the "dangerous situation" that General Manuel Antonio Noriega's regime was creating in his country.

"I warned them that the crisis would even affect the status of the Panama Canal," said Arias Calderon, president of the Panamanian Christian Democratic Party, the country's largest party after the annulled 7 May elections.

"Latin America just made pronouncements regarding this reality." Therefore, it lacks "the moral authority to judge what is happening in Panama," he said.

Arias Calderon said that only Venezuelan President Carlos Andres Perez has the "moral authority" to evaluate the situation existing in the wake of the U.S. invasion on 20 December.

Perez criticized the U.S. intervention, but has expressed willingness to recognize Guillermo Endara's government once the U.S. troops are withdrawn. In addition, Perez criticized the Latin American system for its "ineffective" reaction to the events in Panama.

Venezuela was the only South American country that refrained from voting for a resolution condemning the invasion. Venezuela said the resolution was solely denunciative in nature.

"History," Arias Calderon said in reference to Perez, "will justify him."

Nevertheless, Arias Calderon rejected the Venezuelan president's proposal that a constituent assembly be convoked in Panama. "We were elected by the Panamanian people under a constitution that is not perfect, but the amendment of which is not the country's basic problem," he said. He added: "I do not believe the country will tolerate any questioning of the legitimacy and legality" of this government.

The politician, who also serves as minister of justice, said that putting the new "Public Force" into operation, solving the serious economic crisis, and judgment of Gen. Manuel Antonio Noriega are the three problems that have top priority for his government.

Arias Calderon rejected the possibility of having Noriega brought to trial in Panamanian courts. The country is not in a position to take over Noriega's trial on its own, or to guarantee his personal safety, Arias Calderon said. He rejected the possibility of having Panama's former strongman, who has been in refuge at the Apostolic Nunciature since Christmas Eve, treated as a political refugee. "He is the worst kind of criminal," Arias said, adding that Noriega's release would be "a flagrant injustice that the country will not tolerate."

Referring to his government's future foreign policy, especially with Central America, Arias Calderon said: "We are not going to have any major problems," although he did not rule out "difficulties with Nicaragua.

Arias Calderon said that the Sandinist government had close relations with Noriega. He added that the discovery of weapons in the residence of the Nicaraguan Embassy in Panama City "certainly does not place Nicaragua in the role of a simple victim" in the raid carried out by U.S. soldiers.

The Panamanian vice president emphasized the role played by the EC during his country's crisis, in which "the 12" showed "understanding" of his country's reality.

Arias Calderon expressed the hope that the EC will contribute to his country's economic reconstruction, which, according to estimates made prior to 20 December, will require an injection of capital of some $1.5 billion.

Citizens Denounce OAS 'Failure' in Panama

PA0101172390 Panama City LA ESTRELLA DE PANAMA in Spanish 1 Jan 90

[Text] More than 10,000 Panamanians have addressed a letter to OAS Secretary General Joao Baena Soares inviting the organization's member countries to send delegations to Panama to talk with the people on the streets. In this way, they will confirm that the Americans are welcome in Panama and that "the only thing that made us unhappy was the U.S. troops' delay in coming."

The letter points out: "It is unfortunate that an organization born of the dream and vision of a man who fought for America's independence and freedom from all oppression has not made this dream come true by effectively and definitively supporting in America the movements of the peoples who have struggled to shake off tyranny to crystallize and consolidate the freedom and democracy that we all desire."

The letter also says that, in the case of Panama, the OAS "has been a resounding failure. You have even defeated the spirit of your commitment to the Panamanian people as expressed in your own resolution on Panama. In the resolution, you promised to see that democracy was restored in Panama by respecting the people's decision expressed in the 7 May 1989 elections."

In this regard, the letter adds that, to the surprise of only a few, not only was the OAS unable to fulfill its own resolution, but voluntarily or involuntarily played along with a game that Noriega has successfully used with the gullible, the ignorant, or those with selfish interests. The game consists of following an ambiguous, inefficient, and hesitant line devoid of the clarity that should prevail in this situation both privately and publicly.

The letter continues: Hence our complete lack of trust in you and, sad to say, our loss of respect for an organization that could have been essential in uniting the peoples of America with friendly ties, an organization within which we could support each other and respect the internal decisions of each of the member states.

The signatories of the letter describe as "shameless" the Cuban and Nicaraguan Governments for their diatribes. The letter says these two countries have been intervening in Panama for many years and adds: Instead of assisting and supporting us in our struggle, these two countries have encouraged the class struggle, reinforced the dictator with tons of arms, and attempted to install in Panama an obsolete system that is in the process of disappearing in Europe and, hopefully, soon in Cuba and Nicaragua.

The letter expressed the hope that the failure of the OAS organization will serve as a lesson to its member countries in the future, perhaps in Nicaragua, where the people undoubtedly will confront soon the oppressive system that has impoverished and subjugated them and sent many into exile.

In conclusion, the letter urges the OAS to seek the necessary solutions in every case, not those that the delegations of the member countries determine in theory from their comfortable Washington offices, but those for which the people, who are themselves physically suffering, yearn.

Former Provisional President Issues Message

PA2912150589 Panama City LA ESTRELLA DE PANAMA in Spanish 29 Dec 89 p 1A

[Message by former Provisional President Francisco Rodriguez in Panama City on 27 December]

[Text] At this time I call on all Panamanians to observe the attitude and behavior the situation requires for the preservation of our country's integrity and peace. I have condemned the U.S. invasion of Panama, as it constitutes an affront to the nation's sovereignty. I similarly condemn the vandalism and looting of the past few days, which have devastated a lifetime of productive effort of so many compatriots. All these incidents have brought death, mourning, and destruction to the country's family, something I deeply regret and pray will never happen again.

The events that led to the current situation, as well as concurrent incidents and those stemming from them, will make the respective protagonists stand the inexorable judgment of the history of our people. In a conscientious and responsible manner, I submit my past actions as provisional president of the Republic, since during my short time in office, I made every effort to strive for reconciliation among Panamanians with the conviction that without it, it would be impossible to lead our society to a new period of collective concord, progress, and welfare.

Henceforth, we must clearly recognize the points of concurrence among the majority of the people to propitiate formulas that lead to fraternal healing of the wounds inflicted on society as a whole and achieve as soon as possible the total reconstruction of our common home for all the children of our fatherland.

From where I am, a location known to the officially recognized government authorities, I call on my fellow citizens to contribute their best to give Panama the opportunity to rise with dignity and pride above the current circumstances.

Francisco A. Rodriguez Poveda, identity number 6-27-185

Ties With Cuba, Nicaragua, Libya To Be Studied

PA2912201889 Panama City ACAN in Spanish 1925 GMT 29 Dec 89

[Text] Panama City, 29 Dec (ACAN-EFE)—Foreign Minister Julio Linares today stressed that the new government will reexamine its relations with Cuba, Nicaragua, and Libya at an upcoming cabinet meeting.

Linares today told the media that he does not feel that this matter requires priority treatment, but it must be "studied by the full cabinet" of President Guillermo Endara.

Some sectors that support the new government have called for a break in diplomatic relations with these three countries because these sectors feel they helped the government of General Manuel Antonio Noriega, who is currently "a guest" at the Apostolic Nunciature in Panama.

In addition, Linares disclosed that several countries have expressed to the Foreign Ministry, "in one way or another," that they will continue to maintain relations with Panama.

Linares specifically mentioned El Salvador, South Korea, Japan, Taiwan, Switzerland, the Vatican, Guatemala, the Philippines, the FRG, and Spain.

According to Linares, Spain is applying the "Estrada Doctrine," which recognizes states instead of governments.

The Panamanian minister maintained that "an (explicit) recognition is not needed because President Endara's government is legitimate and constitutional," because the Electoral Tribunal, which annulled the May elections during the previous regime, recognized it as the winner of those elections.

U.S. Delivers Canal Funds to Government

PA2912193589 Panama City ACAN in Spanish 1857 GMT 29 Dec 89

[Text] Panama City, 29 Dec (ACAN-EFE)—The United States today delivered to the Panamanian Government $6 million of the funds derived from the joint operation of the canal—funds that had been frozen by the U.S. Administration.

The funds were withheld in March 1988 when General Manuel Antonio Noriega—currently "a guest" at the Apostolic Nunciature in Panama City and wanted by the United States for drug trafficking—was Panama's strongman.

Richard Burgoon, finance director for the Panama Canal Commission, today delivered the $6 million to the new authorities in a ceremony that took place at the provisional office of the Panamanian Presidency.

Burgoon met with President Guillermo Endara, Vice President and Planning Minister Guillermo Ford, and Foreign Minister Julio Linares.

According to the Torrijos-Carter treaties, which state that the canal will be transferred to Panamanian sovereignty in the year 2000, Panama must receive $70 million per year for the exploitation of the waterway.

RPC Radio Interviews New Attorney General

PA3112030389 Panama City Circuito RPC Radio in Spanish 2221 GMT 30 Dec 89

[Interview with Attorney General Rogelio Cruz by RPC reporter Edmundo Dantes Dolphy; in Panama City on 30 December—recorded]

[Text] [Dolphy] Although we are aware that the appointment is temporary until the Legislative Assembly has confirmed you in your post, we would like to know—and as a matter of fact it is very important for all Panamanians to know—if any political conditions were set prior to your appointment.

[Cruz] No. The president of the Republic has appointed me to the post without any conditions whatsoever. Nevertheless, I believe that there is one condition that is inherent to the post: total obedience to the constitution and the law.

[Dolphy] Three days after having been appointed attorney general, what is your assessment of, and your immediate plans for, this office?

[Cruz] I have been very busy in the past 3 days, and I believe that the workload will increase further beginning on 2 January. We are working very hard on a number of charges that have been filed—and on other criminal investigations that we, as prosecutors, have initiated—against a number of former public officials, both civilian and military.

[Dolphy] Will your office file charges regarding the members of the military who were executed during the aborted attempt to stage a military coup? Will you make an attempt to clarify this?

[Cruz] We definitely will. I can tell the Panamanian people that at this very moment I already am convinced that these men were executed after they surrendered. Among other evidence, we have been able to establish from the bullet holes that the majority of them were shot from different angles, which leads one to surmise, among other things, that they did not die in combat.

[Dolphy] Although it has been improving little by little, the situation in the country is far from normal. What will your administration do at this time to clarify the situation of the Panamanians who have been arrested by the U.S. Forces?

[Cruz] We are filing criminal charges against almost all of them. I believe that very few, if any, are free from criminal responsibility.

[Dolphy] When you talk of criminal responsibility, Mr. Cruz, how many have been arrested and what crimes are they being charged with?

[Cruz] Many people have been arrested, and they face a host of charges. The problem we are currently facing is that of our prisons, which do not have the physical or security conditions needed to house these individuals.

[Dolphy] Under the preceding administration of Carlos Augusto Villalaz and several administrations before, many cases were shelved although they had not been solved. One example is the murder of Dr Hugo Spadafora. Does your administration plan to clarify these crimes?

[Cruz] Yes. That is what we are here for. We are already working on this, because according to the constitution our task is to investigate crimes. We have to keep tabs on the behavior of public officials. We are already preparing the dossiers, and I am completely certain that all of these crimes will be clarified in such a way that the public prosecutor's office will be able to send the dossiers to the budicial branch and that very soon the responsible parties can be charged with and punished for these crimes.

[Dolphy] When do you think your administration will be able to reorganize the public prosecutor's office?

[Cruz] This task is already under way. I believe that there are some very valuable employees in the public prosecutor's office, and several of them have many years of service. We are going to bear all of this in mind. However, I know that we are going to have to get rid of some of these employees. There is a legal problem, because I cannot fire an employee without cause. The courts could come back and order his or her reinstatement. However, I believe that this problem will be solved over time. Since yesterday we have been receiving accusations against some officials of the public prosecutor's office and the judicial branch.

Charges Filed Against Former DENI Chief

PA3012155889 Panama City EL SIGLO in Spanish 30 Dec 89 pp 1, 4

[Report by Chin Arauz]

[Text] Dr. Alvin Weeden filed criminal charges at the Attorney General's Office on 29 December against Nivaldo Madrinan, former director of DENI [National Department of Investigation], who has taken refuge as a guest in the nunciature. The charges against Madrinan concern the case of the murder of Serafin Mitrotti, a businessman and former president of the Panama Rotary Club.

Nivaldo Madrinan has requested diplomatic asylum from the Spanish Government, which has replied that if there are no criminal charges against him, it would grant the asylum.

Serafin Mitrotti, a prominent businessman, was found dead in a boardinghouse in Anton, a town 200 km from his home.

This homicide was never solved by the appropriate authorities. Madrinan was in charge of the investigations.

In a subsequent news conference, Madrinan was seen wearing Mitrotti's ring, the estimated value of which is $18,000.

McGrath Says Noriega Made Lists of Enemies

PA0201005890 Panama City Circuito RPC Television in Spanish 2300 GMT 1 Jan 90

[Text] The Panamanian Catholic Church, through its highest representative Msgr Marcos Gregorio McGrath, has announced a plan by the Noriega regime to harm Church members.

[Begin recording] [McGrath] The information I can give is known already, but I will repeat it. About 3 weeks ago, you will recall that the Noriega regime began using the slogan: "An eye for an eye, a tooth for tooth." The Dignity Battalions and rabid newsmen talked of a list of 50 persons who were going to be eliminated if there was an invasion or any attack on the Noriega government. As far as I know, the list was never published. I heard it was published in a Colombian newspaper, but I never saw it. Several persons told me my name was on the list. I am not surprised because I was the target of so many attacks because the regime did not like Church documents, in which the Church demanded respect for human rights, called for reconciliation, and so forth.

Following this military action, things have changed. I can mention two things I watched on a [Southern Command Network] Channel 8 program on the things found in the Noriega homes. I visited one of those homes with the permission of the U.S. military. In the room where santeria, witchcraft, black magic, and the like were practiced, I saw the lists of persons on whom spells would be cast, that is, evil spirits were summoned against these people. I was not on those lists. It seems that at the Amador house another list was found, and I was on that one. I and many other persons were in it. Oddly enough, it included persons belonging to his own government, but it chiefly consisted of opposition and U.S. figures and clerics.

I have also received a poster resembling a DENI [National Department of Investigation] bulletin with a title that read: target of attack—clergymen. All the bishops of Panama and a large number of priests would be the target of attacks by the Noriega regime. The plan was to attack some persons, including several bishops and priests, and me, as well.

[Reporter] Knowing these details, do you, as a member of the Catholic faith, think Noriega should be granted asylum by the Vatican?

[McGrath] I think you know of our letter. We think he must face justice.

[Reporter] What is your personal stance, now that you know you were a likely target of Noriega when he was in power? How do you feel about that?

[McGrath] You are a newsman. You know of all the insults and attacks against me on the television channels kept and controlled by the government, and in the government newspaper. I knew the attacks came on orders from Noriega. He once told me he personally ordered those things. I have no great admiration for people who sell themselves and allow themselves to be used to attack persons and distort the truth on orders from a superior who pays them. I hope that kind of journalism never reappears in Panama again; you have a duty to ensure that it does not.

We are Christians. I do not harbor any rancor. I regret all the harm he has done, not to me, but to Panamanian society, to respect for others, and to the truth. [end recording]

Resumes of 22 FDP Officers Compiled by Coupists

PA3012202489 Panama City EL SIGLO in Spanish 30 Dec 89 pp 3, 7

[Resumes of 22 Panama Defense Forces officers compiled in October 1988 by a group of former FDP members who were plotting to overthrow General Manuel Antonio Noriega]

[Text] 1. Colonel Julio Ow Young: Chief of Police. Involved with Noriega himself in the assassination of Hugo Spadafora. He is the link between the Medellin Cartel and the Inter-American Bank in the "Lavamatic" money laundering operation. He was involved in various assassinations in Chiriqui Province when he was the chief of the zone.

2. Lieutenant Colonel Nivaldo Madrinan: director of DENI [National Department of Investigation]. He has been accused for over 12 years by the UN Human Rights Commission and by Amnesty International for cruel tortures in our country. He is also accused of the assassination of Silverio Brown; Serafin Mittroti, president of the Rotary Club; Camilo Perez, of the Supreme Court of Justice; and the maid of the Israeli Embassy and her boyfriend. He is accused of drug trafficking, stealing jewelry, and robbing local banks.

3. Major Luis (Papo) Cordoba: Traffic director. He is well-known in Darien Province for having chopped off the heads of seven Colombians who entered Panama through the Darien jungle. He directed, by telephone, the operation to arrest and behead Hugo Spadafora. He was also involved in the assassinations of Diomedes Gonzalez and Edwin Heredio Amaya. He is an associate of drug traffickers Wetson, Carlton, and Cervantes.

4. Major Jose Hilario Trujillo: chief of the FAP [Panamanian Air Force]. He has been a courier of the Medellin Cartel since he was an Air Force pilot. He has been a courier of dollars for the Panama banking center. He was director of the "Seventh Force" [Septima Fuerza], which implemented the operation to arrest Dr. Mauro Zuniga, in which he was mistreated and cut on the back with a knife before he was able to escape.

5. Major Luis del Cid: chief of the 5th Military Zone. He has been Noriega's buddy since he was a second lieutenant and traffic director in David. He was a hired assassin and the mastermind of the robberies of businesses, banks, farms, and private homes. It is often mentioned in the FDP that this barbaric individual has murdered more than 20 people on orders from Noriega.

6. Major Rafael (Rafito) Cedeno: executive secretary of the commander [Noriega]. Troop officer and a man with great persuasive abilities. He manages part of Noriega's businesses, among them: the sale of stolen jewelry, airport shops, the export of $8 million in leather products (Tauro Tannery), smuggling emeralds and diamonds. He handles the visas of Cubans who are in transit.

7. Major Fritz Gibson: G-2 Executive. Has been, after Maj. Del Cid, the main hunting dog in Noriega's activities. Retired 2 years ago with the rank of captain, he continued on active duty and was promoted to major, thus breaking the promotion roster. Has been accused by various international organizations of attempting to kill [Popular Action Party member] Dr. Miguel Antonio Bernal, labor leader Nito Barrantes, and many others.

8. Major Felipe Camargo: Counterintelligence chief. His father was an "Angel" at the Cavalry Unit when compared to his first-born son. Maj. Camargo uses the most sophisticated methods to torture all those arrested who end up at the G-2. He has been in charge of weapons trafficking for the Nicaraguan, Salvadoran, Guatemalan, and Colombian guerrillas. He has also been entrusted with handling relations with international communists, Cuba, and Nicaragua, and on the local level with the People's Party and the labor unions.

9. Major Pascual Gonzalez de Leon: Director of the DAC [Civil Aeronautic Board]. In charge of all airports and of authorizing charter flights to Colombian drug traffickers and smugglers. Partner of Cesar Rodriguez, owner of SERAMSA [expansion unknown] and a key man in the deals with Israeli General Michael Harari and the Electronic Company of Israel for $20 million.

10. Major Federico Olechea: Chief of Battalion 2000. As perverted as his idol, "Narcoleader Noriega." In charge of the local sale of marijuana, smuggling liquor and beer from the Free Zone, and smuggling automobiles without paying taxes.

11. Major Humberto Melara: Chief of records and data processing. His relationship with the Dictator ("the Monkey Noriega") began at the discredited Chorrillos Military Academy in Lima, Peru. He is another one of those entrusted with the secrets of the tyrant, who pays for that "loyalty" with a juicy sum obtained from the Commander's illegal businesses. A very dangerous man because of the way he carries out his continuous and sneaky actions.

12. Major Daniel Delgado: Chief of the DEPAT [Panama Treaty Affairs Executive Directorate]. Covered with glory as a lieutenant for killing Jorge Tulio Medrano, a disabled young man who was charged with hijacking a plane to travel to Cuba. Ambitious and

treacherous as no one else can be, so the tyrant Noriega distrusts him (but feeds him). He betrayed Colonel [Florencio] Flores during the 1982 coup, and later General [Ruben Dario] Paredes in 1983. When his brother David performed as Free Zone manager he made huge deals, obtaining a huge fortune and a mansion in Villa de Las Fuentes neighborhood, which is fit for kings. In addition, he receives a $5,000 monthly salary in addition to an allowance from the [Defense] Forces petty cash, to keep his voracity satisfied.

13. Major Carlos Arosemena King: G-1 Executive. Chief of the private cheering section, in charge of the laughable choirs. Owner of over 35 race horses, and of a heavy equipment company that carries out works no one else sees (illegal), for which he receives over $30,000 a month. Has great influence through a relative at the National Bank, where he carries out transactions just because he shouts: "Not a step backward!".

14. Major Francisco Porras: Chief of the General Tomas Herrera Military Institute [IMGTH]. A puppet and a historian. Noriega uses his name to publish his own works and virtues. Obviously, this "intellectual" keeps a commision for editing each book, booklet, or essay. Also obtains great deal from the purchases made by the IMGTH, the sergeants's school, and the General Benjamin Ruiz Officer Candidates School in Rio Hato.

15. Captain German Gonzalez Pitty: chief of the Paz Battalion. He was thrown out of the National Guard by General Ruben Dario Paredes in 1981 for participating in drug-trafficking activities at Omar Torrijos Airport. He resumed his duties the day after Noriega, the tyrant, assumed power. He was the mastermind behind the Exterior Bank robbery in Chiriqui Province. Of the $300,000 stolen, $257,000 are still unaccounted for.

16. Captain Heraclides Sucre: chief of the Pumas 2d Infantry Company based in Tocumen. General Paredes also dismissed him in 1982 from the National Guard for the killing on Coiba Island of eight Colombian prisoners, who had given money to Sucre for their release. This criminal assassin was also rehired by Noriega 2 days after he took power.

17. Captain Moises Cortizo: chief of the Balboa Police. He graduated from West Point. He betrayed his family, his country, and his alma mater by working for the Medellin Cartel "for a few more dollars." He has planned and carried out all the assaults and robberies of the homes and vehicles of canal area residents during the last year.

18. Captain Gonzalo Gonzalez: chief of the 7th Infantry Company. He owns a cargo and freight transportation business, and he is the only officer allowed by the customs office to take containers outside the Colon Free Zone. He also collects money from different government organizations for excavation jobs that he never performs.

19. Captain John Pimento: chief of communications. He is in charge of supervising the technical and financial operations of the REXA and VISAT cable television companies. He is also in charge of the radio, electronic, and telephone equipment for INTEL [National Institute of Telecommunications] and other government agencies.

20. Captain Severino Mejia: secretary general of the CAEM [expansion unknown]. He is believed to be a great strategist and a skillful pupil of Noriega. He studied Fouche and other espionage techniques. His mental abilities are not very impressive, and his speeches are written by Second Lieutenant [Jose de Jesus] Chu-Chu Martinez. Noriega's speeches were written by the late Heliodoro Ventocilla. His illegal businesses are small in size. He is a penny-pincher.

21. Captain Ricardo Sanchez Galan: chief of the Dobermans [anti-riot police]. He is a young man without talent. He only knows how to torture and inflict punishment. He began his work at the G-2 with Noriega. He was handled like a robot by the dictator. His businesses are small in size (releasing prisoners and keeping stolen merchandise and jewelry).

22. Captain Jorge Bernal: He was rehired at DENI after being involved in the assassination of Manuel Vasquez, a Spanish businessman who owned the La Gruta Azul brothel. He had been transferred from Colon for smuggling large amounts of merchandise from the Colon Free Zone.

Update on Former FDP Staff Members' Status

PA3012054789 Panama City ACAN in Spanish
0342 GMT 30 Dec 89

[Text] Panama City, 29 Dec (ACAN - EFE)—Official sources reported today that 14 of the 21 members of the Panama Defense Forces' [FDP] general staff, led by General Manuel Antonio Noriega, have either surrendered or been arrested by the U.S. Army.

There is only information about three members who are still fugitives: Gen. Noriega, who is at the Apostolic Nunciature headquarters; Lieutenant Colonel Nivaldo Madrinan, who is still at the Vatican's Embassy; and Lieutenant Colonel Luis Cordoba, national director of the National Directorate of Land Traffic and Transportation.

Noriega's capture is still one of the main goals of the U.S. armed intervention, which has officially resulted in the death of 500 Panamanians—both military and civilians—and 27 U.S. citizens, 23 military and 4 civilians.

A high-ranking member of the country's new "Public Force," who opted to remain anonymous, assured that the arrested officers include Colonels Marcos Justines and Alberto Purcell, chief and assistant chief of staff, respectively; as well as Lieutenant Colonel Rafael Cedeno, chief of state security (G-2) and a close associate of Noriega.

Colonel Anibal Maylin, chief of infantry (G-3), and Colonel Angel Mina, in charge of the Panama Defense Forces economic services, are also among those arrested.

The source said that those arrested are in a "concentration camp" within the U.S. Armed Forces' Fort Clayton and in old Panamanian military installations that are now controlled by U.S. troops.

The source could not give specific details on the whereabouts of four general staff members: Colonel Theodore Alexander, chief of adjutancy; Lieutenant Colonel Gerardo Garcia, G-4 of general staff; Lieutenant Colonel Luis Ruiz, representative to the Inter-American Defense Board; and Lieutenant Colonel Luis Martinez, military zones supervisor.

Regarding other components of the general staff, the officer who was previously in charge of military personnel matters, Colonel Roberto Armijo, has assumed command of the new "Public Force," which has replaced the extinct FDP and is now subordinate to the Ministry of Government and Justice.

According to some sources, Port Authority Director Lieutenant Colonel Virgilio Mirones died during the U.S. Forces' attack on the FDP general headquarters, where he was on duty on the day of the invasion.

Meanwhile, Lieutenant Colonel Luis Del Cid was also arrested and he has been transferred to the United States, where he is being tried for drug trafficking.

Lieutenant Colonel Carlos Arosemena King, chief of protocol (G-5), turned himself over to the U.S. troops when they invaded Panama—along with the other four members of the general staff—and they are being investigated.

Lieutenant Colonel Pascual Gonzalez, chief of Panama's Civil Aeronautics Directorate, has also been arrested.

The U.S. Armed Forces currently hold 5,220 Panamanian "prisoners" who opposed the invasion, because they are sought by their country's justice, or upon request from the new Panamanian authorities, who want them investigated.

U.S. Arrests Former Major, Noriega Friend

PA2912191389 Panama City Circuito RPC Radio in Spanish 1813 GMT 29 Dec 89

[Report by Luis Antonio Gabarrete from Bocas del Toro Province]

[Text] Approximately an hour ago, U.S. forces arrested 8th Military Zone Chief Major Victor Herrera. He is now in a helicopter at Changuinola's Manuel Nino International Airport. The helicopter is carrying a large quantity of weapons seized by the U.S. forces, which will be sent to Panama City. There were two helicopters at the airport 15 minutes ago. One of them took off already. The helicopter holding Maj. Victor Herrera remains at the airport.

Moreover, a close Noriega friend, Abdiel de la Lastra, known as Chicharron de la Lastra, was arrested in his home by U.S. forces that arrived in Changuinola this morning. People continue to come to this city's garrison. Public Force members are here. Another contingent of U.S. forces is also at the airport. The crowd is looking at the large number of weapons seized by the Public Force and turned over to the U.S. forces, weapons that will be sent to Panama City. Moreover, [Panama Defense Force] troops in Changuinola are being held under arrest at the 8th Military Zone.

Nils Castro Seeks Support for Resistance

FL3112200489 Mexico City NOTIMEX in Spanish 1919 GMT 31 Dec 89

[Text] Mexico City, 31 Dec (NOTIMEX)—Nils Castro, leader of the Democratic Revolutionary Party (PRD), has called on international organizations to support the Panamanian resistance against the U.S.' barbaric action.

In a letter addressed to the newspaper LA JORNADA, Castro states that Panamanians should not be left alone in the struggle they are waging to free their country from an invading country (the United States) having a much larger force and much greater firepower.

Castro stated that all Latin American countries can envisage their sad future in the U.S. military action and in the torn hands of the Panamanian people. They can envisage it either to avoid it or to endure it, Castro added.

Castro stated that with the military invasion of Panama, the United States has made it quite clear how much regard it has for Latin American governments and for the principle of nonintervention in the affairs of other countries.

Castro also charged that the sham ceremony whereby the Panamanian Electoral Tribunal proclaimed Guillermo Endara as president clearly shows the nature of his government: a puppet brutally imposed on Panama by the U.S. Army.

The proclamation occurred several days after Endara and his vice presidents were sworn in at Fort Clayton, a U.S. military base in Panama.

CNTP Requests Respect for Labor Benefits

PA3112003889 Panama City LA ESTRELLA DE PANAMA in Spanish 30 Dec 89 pp 16, B7

["Communique" from the National Executive Secretariat of the National Central Organization of Panamanian Workers, dated 27 December]

[Text] The National Central Organization of Panamanian Workers [CNTP] informs all of its members and the people in general that recent events have opened a new chapter in our country's history.

The situation has changed and it is the responsibility of the entire leadership to effectively guide the rank and file so as not to endanger the existence of the labor organizations.

The CNTP calls on everyone to contribute to the country's economic development, because we have to rebuild our factories, stores, and offices, as well as our state institutions.

As labor organizations, our mission is to ensure the greatest economic and social welfare for the workers and people in general, and this demands a strong and prosperous economy.

The organized workers' movement has always aspired to real and effective participation in the construction and direction of our fatherland to ensure the economic, political, and social welfare of all Panamanians. Democracy entails the participation of all sectors of society; we must develop and consolidate democracy together so we will never lose it again.

Certain things are needed to consolidate the plans of the current government, among them:

a. Security must be provided to all sectors, but without the presence of foreign troops.

b. The current administration under Guillermo Endara must respect the workers' right to organize as well as the other labor rights granted by the National Constitution and the Labor Code.

c. Democracy will also be reflected through respect for ILO [International Labor Organization] conventions and standards, particularly numbers 87 and 98.

d. Armed groups that encourage terrorism must be disbanded, and radio programs must be kept from carrying material encouraging the people to persecute leaders and to seek revenge.

The CNTP urges the Endara administration to meet with the businessmen and the organized labor movement to coordinate actions to achieve the reconstruction of our economy and the development of our country.

Panama City, 27 December 1989

CNTP National Executive Secretariat

Mauro Murillo, Secretary General

Edwin De Leon, Propaganda Secretary

G-2 Sergeant Suspected in Spadafora Murder

PA3012163789 Panama City EL SIGLO in Spanish 30 Dec 89 pp 8, 4

[Text] Members of the Hugo Spadafora National Liberation Front headed by Junior Echevers arrested G-2 Sergeant Eliecer Ramos Chavarria, who has been closely linked to the assassination of Hugo Spadafora.

Echevers told this newspaper that Chavarria was captured when he was fleeing Concepcion, in Bugaba District. Chavarria was taken to the Paso Canoas Garrison, where he remains under close guard.

In an exclusive interview for EL SIGLO, Chavarria maintained his innocence and mentioned several times the names of Omar Vega, the so-called Lieutenant Pale, and Luis "Papo" Cordoba as the persons directly involved in this abominable crime.

At this time, we are awaiting instructions from the government of President Endara to conduct the pertinent investigations and to determine Chavarria's responsibility and that of his accomplices in the assassination of Hugo Spadafora. It is well known that Chavarria was one of the regime's henchmen who detained Spadafora at the traffic police checkpoint.

We all know the story with the details on where people found the body of the guerrillas' physician, and the subsequent investigations by the Costa Rican police—the results of which directly and inevitably pointed to the Noriega military and its henchmen. Ramos Chavarria seems to be indicating that he helped but did not kill Spadafora.

Chavarria, who is under heavy guard—to prevent area residents from executing him—is very worried about his fate. All evildoers act alike: When the time comes to render accounts, they forget all about their crimes and the suffering inflicted on the victims and their relatives, and they think only about asking for mercy.

However, justice, which always takes a long time but finally prevails, will make it possible to punish all these criminals, assassins, and torturers who committed dreadful crimes, such as the killing of Hugo Spadafora Franco.

International Airport Partially in Operation

PA3112145389 Panama City Circuito RPC Radio in Spanish 1415 GMT 31 Dec 89

[Text] Private aviation sources in Panama City have announced that Panama's international airport today partially resumed operations with three commercial flights to Costa Rica, Miami, and Haiti.

The source added that, as of today, and temporarily, the airport will be open from 0800 to 1400, using a special procedure to control luggage. This special procedure will be carried out either by the airlines or by U.S. soldiers at the airport.

The reason for this special luggage control is because the Panama Defense Forces no longer exist, and they were in charge of the Customs and Immigration Departments, which have not yet been reinstituted.

Panama's international airport, located approximately 40 km from Panama City, was closed on 20 december when the United States launched a military invasion against Panama, during which the airport was damaged.

Until now, the U.S. Army had not allowed any airplanes to land at the airport except those bringing medical and food supplies to assist the people who lost their homes in the invasion.

Hundreds of people were killed in the invasion, and thousands of Panamanians lost their homes.

The source added that the current procedure for obtaining authorization for flights to Panama is to make a request at the Panamanian Foreign Ministry, which in turn must present the petition to the U.S. Embassy, which sends it to the U.S. State Department, which sends it to the Pentagon, which, finally, authorizes it, if the flight is deemed appropriate.

Noriega Aide Harari Reportedly Under Arrest

PA2912160589 Panama City Circuito RPC Radio in Spanish 1237 GMT 29 Dec 89

[Text] U.S. Government officials confirmed the arrest on 27 December of Mike Harari, 62. Harari, a former Israeli military officer, has been considered one of Noriega's closest aides on security matters for several years. Harari reportedly trained Noriega's personal bodyguards.

The high-level secret negotiations over Noriega's fate continued with no sign of an imminent solution to the diplomatic standstill involving the Vatican, Washington, and the Panamanian Governments. A U.S. Embassy official also said many attorneys in the United States are studying a 1904 treaty between the United States and Panama to see if there is a legal basis for extraditing Noriega to the United States.

Panamanian Archbishop Marcos Gregorio MacGrath said Papal Nuncio Jose Sebastian Laboa, the ambassador of the Holy See to Panama, has authorized U.S. troops to enter the embassy if Noriega or his followers attempt to take any hostages. Meanwhile, about 20 members of the ultra-secret U.S. Delta Force arrived on 28 December at the Vatican Embassy compound, according to a soldier who requested not to be identified. The Delta Force was created in the late 1970's for antiterrorist purposes. Soldiers wearing camouflaged uniforms—without the usual shoulder insignia to identify their units—were seen inspecting the wall surrounding the embassy and searching nearby apartments. On the morning of 28 December, a U.S. soldier shouted through powerful loudspeakers surrounding the Vatican Embassy: Good morning Panama! The U.S. troops shook the embassy complex for the second day with loud rock and roll music at very high volume. Songs such as Born in the U.S. by Bruce Springsteen were played, reportedly to anger Noriega, who is supposedly fond of opera. However, the U.S. soldiers said the measure its intended to prevent newsmen from using electronic equipment to listen from a nearby hotel.

A U.S. Embassy official—who made statements provided he remains unidentified—compared the mission of the 26,000 U.S. soldiers in Panama with the U.S. occupation and pacification of Japan at the end of World War II. However, he made a cautious but optimistic estimate on the time the U.S. troops will remain in Panama. I hope we will be out of here, that is, back on our bases in a month, he said. However, this is an ambitious and perhaps unreachable goal. The U.S. Embassy official said troops are working to arrest about 50 Noriega followers and people suspected of being members of paramilitary Dignity Battalions who evaded the 20 December U.S. invasion. The recently sworn-in government of President Guillermo Endara delivered a list to the U.S. military that includes the names of hundreds of Panamanians suspected of committing crimes that range from drug trafficking to human rights violations, the U.S. Embassy official said.

Argentina

Coup D'Etat Threat Addressed by Military Leaders

Air Force Chief Says 'No Risk'

PY2912203489 Buenos Aires BUENOS AIRES HERALD in English 29 Dec 89 p 11

[Text] [NA-DYN]—Air Force Chief of Staff Brigadier Jose Antonio Julia yesterday said there was no time limit for President Carlos Menem to pardon the former military commanders sentenced for human rights violations, and made clear that there was "no risk" of a coup d'etat.

Julia made these statements in Government House after a meeting held with Menem, during which the Air Force chief expressed concern over the constant dollar rise and its impact on the price of equipment and supplies.

He also ratified the present unity of the Armed Forces and, in reference to a possible pardon for the former commanders, said "there are no deadlines" to ask the President for the benefit of their freedom.

While dismissing a coup by the Armed Forces, the officer highlighted that "it is the country which is at risk, and if the country collapses, everything else will collapse."

During the talks with Menem, Julia asked the head of state to declare the sale of the Pampa IA-63 plane of national interest, in view that next year Argentina will compete with other countries—especially the United States—for the Latin American market.

Meanwhile, Economy Minister Antonio Erman Gonzalez will today meet the Armed Forces chiefs of staff and other Defence Ministry officials in order to discuss the adjustment of wages for military personnel.

Army Chief Summons Rico

PY3012143089 Buenos Aires DYN in Spanish 1228 GMT 30 Dec 89

[Text] Buenos Aires, 30 Dec (DYN)—The chief of staff of the Army, General Isidro Caceres, formally asked the state prosecutor to summon former Lieutenant Colonel Aldo Rico to "urgently confirm" his charge that Caceres is preparing a coup d'etat against President Carlos Menem. On Thursday night, during a TV program anchored by Mariano Grondona, who interviewed Aldo Rico for 30 minutes, Rico accused Gen Caceres of promoting a coup d'etat against Menem.

Shortly before arriving in La Rioja to celebrate year-end festivities, Menem said that Rico had made his remarks "at his own risk," adding that "as commander-in-chief of the Argentine Armed Forces, I can assure the Argentine people that democracy and the state of law are completely secure."

This morning Caceres issued a radio message to all Army units. Herewith is the substantial portion of this message:

"In view of the coup d'etat charges made by citizen Aldo Rico to the state-owned TV channel Argentina Televisora Color on the night of 28 December 1989 during Mr Mariano Grondona's program; to clarify the situation that is compromising the chief of staff, generals, and institutions of the Army; and to preserve the stability of the institutions of the Republic and protect the citizenry from any ensuing confusion, I have asked the state prosecutor to summon citizen Aldo Rico to urgently confirm the charges he has made to determine responsibility and implement the necessary measures to protect the nation's system of government."

New Economic Measures To Be Implemented

Menem To Announce Measures

PY3012152089 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1110 GMT 30 Dec 89

[Text] La Rioja, 30 Dec (NA)— President Carlos Menem has said that he will probably announce the new economic measures either on 1 or 2 January from La Rioja. He also said that any government official who does not agree with the plan will be separated from the cabinet.

Menem appealed to "those who remember" to recall that "when we assumed power we said that we would live through 2 or 3 more or less pleasant months and that the crisis—although it may not be eliminated, could be soothed in its initial phase—would come afterward."

"This crisis has turned up again, not as serious as in May and June but nonetheless meaningful. We maintain that it is controllable," Menem said.

He said that: "We will control the crisis; we are already attacking its causes, this gigantic state structure, and we are trying to solve all of the problems," among which he mentioned the foreign and internal debts and the fiscal and Central Bank deficits.

Menem added that "perhaps" by the beginning of next week "we will announce from La Rioja several new measures compatible with the economic plan we are implementing to overcome this difficult situation."

The president also referred to the resignation of Roberto Digon as labor and social security undersecretary. He said that his resignation could have been avoided if he would have expressed his disagreements before making them public.

"I asked him for his resignation under amicable terms, as would be appropriate for someone who does not agree with our position. We will do the same thing with anyone who does not agree with this proposal, which will bring a definite solution to Argentina," the president said.

Menem Foresees Return to Normalcy

PY0101190090 Buenos Aires Domestic Service in Spanish 1500 GMT 1 Jan 89

[Text] President Carlos Menem and Economy Minister Erman Gonzalez left La Rioja Province at 1014 this morning and arrived at the military base at the Metropolitan Jorge Newbery Airport at 1140 [1340 GMT]. The journalists awaiting their arrival were not allowed near them. Therefore, no information was disclosed.

However, the president and the minister did make some remarks before leaving La Rioja. President Menem said that the government will continue to work on the complementary measures and will strengthen the economic program even more. He added that it is quite likely that they will be announced some time next week but that he could not name a date because they do not want to act hastily. However, he asserted that no announcement will be made today.

Menem only asked for a bit of patience because things will return to normal. He then asserted that the wage earners, employees, the have-nots, the pensioners will be carefully taken into account by these measures. Menem added that he is certain that on its own the marketplace will return to normal because there will soon be no room for maneuvering.

Menem said that the normalization of the market will occur because the capricious behavior of the dollar can no longer continue and to say that the dollar will continue to soar is a great lie.

Menem said that, in this regard, the overvaluation of the dollar is caused by a series of maneuvers that do not accord with reality or with the government's proposals.

Economy Minister Antonio Erman Gonzalez said that no bank holiday has been ordered because the measures to be implemented will not affect market behavior.

The minister said that the government is not going to implement a new plan but rather tighten the market economy it has adopted. He added that neither the figures or schemes published by the newspapers are true.

Economy Minister Previews Plan

PY3012150489 Buenos Aires DYN in Spanish 1332 GMT 30 Dec 89

[Text] Buenos Aires, 30 Dec (DYN)—Economy Minister Antonio Erman Gonzalez has said that new economic guidelines will be announced to the public on 2 January. He said that these measures will basically consist of the free conversion of the dollar at a rate that could range between 3,500 and 4,000 australes.

He said that a new economic plan is being prepared to "put an end to the unrelenting crisis that has been affecting the Argentine economy for so long."

The minister asked experts and people in general not to be carried away by isolated, exaggerated news or rumors that only create uncertainty and unnecessary concern among the population.

He added that this government will not implement a policy that will benefit one sector to the detriment of another since "social equilibrium is one of the objectives of this restructuring."

"We know that this adjustment plan really attacks all of the deep disorders without representing an additional cost or sacrifice for the classes that have paid the highest price during adjustment plans in the past," the minister said. He added: "This is not an adjustment plan; on the contrary, it is a new economic plan within the framework of the previously announced popular market economic plan. It will allow free competition, equilibrium, and clarity in the markets."

He concluded by saying that the economic measures will be completed today "since several important economists have been consulted and have contributed their ideas, which will be evaluated by the president."

"Given this plan, the future will bring a stabilized economy in equilibrium with social justice, which is our main objective, so as to allow Argentina to gain access to all the markets of the world," the minister said.

Minister Denies Dollarization

PY0101000690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2210 GMT 31 Dec 89

[Text] Buenos Aires, 30 Dec (NA)—Economy Minister Antonio Erman Gonzalez denied today the theory of the dollarization of the economy. He added that the rumors in this regard have created "an environment harmful to the country."

Gonzalez told Radio Mitre that he learned from a Buenos Aires daily that Secretary of Economic Performance Eduardo Curia is "ideologically responsible" for the dolarization project. He added that if that information were true, Curia "would not be sharing the minister's policy."

Gonzalez indicated that "the rumors about the dollarization and the fictional figures talked about yesterday which created an environment of tension at such an important occasion as the New Year festivities, were refuted by the message I delivered yesterday."

Paper Reports New Plan

PY3112230489 Buenos Aires BUENOS AIRES HERALD in English 31 Dec 89 p 17

[Text] The Government will present a new economic plan on Tuesday with the objective of closing the treasury deficit. Towards the attainment of that goal, the Economy Ministry authorities will officialize the parity between U.S. dollars and australs through free convertibility, with which observers consider that the local economy will become "dollarized."

The whole economic team led by Minister Antonio Erman Gonzalez worked the whole day to advance the details of the plan, President Carlos Menem returned unexpectedly from his holidays in La Rioja to follow the development of the economic crisis and several telephone calls were made to Washington in order to secure financial aid for the new plan.

Before leaving his home town, Menem told the press that the government could order a salary advance on the January wages next month on account of the severe measures to be announced.

Government sources disclosed in turn that the minimum wage—currently fixed at 20,000 australs—would soon be raised to the local correspondent to 50 dollars, while the basic salary to be discussed in collective wage bargaining would be 80 dollars.

Throughout the day, Gonzalez, Central Bank Chairman Rodolfo Rossi and the Secretaries of Economic Performance, Eduardo Curia; Public Revenue, Raul Cuello; and Treasury, Saul Bouer kept working in their offices.

Central Bank sources disclosed that the authorities are studying the possibility of either creating a new currency to replace the austral or to take three zeros out of the current one.

Erman Details Plan for Nation

PY0101023490 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 2 Jan 90

[Speech to the nation by Economy Minister Antonio Erman Gonzalez from Government House in Buenos Aires—live]

[Text] People of Argentina: As I said on the night of 30 December I am again in touch with all of you through radio and television to explain a decision we have made.

The decision is aimed at stopping the terrible hyperinflationary process which on Christmas Eve again hit every family very hard, especially the poor.

I said on 30 December that we reaffirmed all the basic guidelines of the Menem administration's economic policies such as state reform, the privatization program, tax reform, market freedom, Argentine integration with Latin America and the world, the elimination of privileges for the most powerful, and the appeal to the responsibility of the private sector for investment and production.

Tonight I am going to explain to you how we are going to protect the value of work and people's savings. I am going to start talking to the people who live on a salary or on pension or those who work on their own, in other words the poorest sectors of our population. I am also going to talk to the families, to the small savers. You get money for your work and keep your savings mainly in australes because you do not have access to dollars or the sophisticated financial instruments of an economy which is getting closer to the dollarization system. However, there are some people—not many but very influential—who earn and spend in dollars. While you suffer from hyperinflation, they live better every day.

Hyperinflation is the high process of devaluation of the austral which is reflected in the very high increase of the dollar and of goods and services. Our immediate objective is to abruptly halt this process painful to Argentine society. This is why I am not going to announce any fuel price increase or additional devaluation. On the contrary, the measures we are implementing as of today are aimed at decreasing first and then stabilizing the price of the dollar and the prices of all goods which have abruptly increased in the last few days.

To achieve this objective we have decided to limit through mechanisms I am going to explain the circulation of the austral to what is strictly necessary for paying salaries and pensions, for making the daily required commercial transanctions, and for the financial organizations to take care of the withdrawal from deposits of families and small- and medium-sized savers.

After we ascertain precisely the amount of australes we need, we will stop issuing currency as promised by the Central Bank president. We have also begun negotiations with multilateral financial organizations and with the U.S. Treasury to get special financial support.

With these resources added to the Central Bank foreign currency reserves which are now $880 million and the gold reserves which are $14 billion we will be able to provide 100-percent support to the australes in circulation.

After we get this support and the fiscal deficit disappears, the austral will became as stable as the currency of countries which are governed responsibly. As you can imagine, this will not happen soon. In the meantime the dollar, in terms of australes, will continue to operate in a free exchange market without the intervention of the Central Bank but its price will tend to decrease.

I cannot promise you that the process will be easy and without ups and downs. We are going to do the best we can to prevent uncertainty. As a guideline for the people involved in this market we are going to publish as often as necessary the amount of australes in circulation, the level of gold and foreign currency reserves, and the situation of the fiscal accounts. We are going to invite well known economic analysts to carry out a detailed audit because we want the economic agents to operate in a very clear environment.

I have told you that the dollar price must be reduced. The reason for this statement is very simple. There will be very few australes in circulation, and many of those who since last Thursday have been changing australes to dollars, will have to do just the contrary from now on. They will have to sell dollars to obtain the australes necessary to meet their tax obligations, to meet their obligations to the state and the banks. We will be very strict in receiving australes for the payment of debts of large economic groups to the Central Bank for loans given to them by institutions which no longer exist: obligations with the National Development Bank and other banks for promotional loans which have been continuously refinanced; with the finance secretariat for guarantors' decline [avales caidos], with the General Tax Directorate for unpaid taxes, and with the welfare system for the delayed payments of pensions.

If these gentlemen keep saying that they have no resources for payments, we will sell through public bids all these loans, inviting private, national, and international banks to participate as purchasers. In this manner the large economic groups will stop being chronic debtors to the state and will have to begin negotiations with private bankers.

In this manner, other announcements already made by our president, but which have not yet been implemented, will be consolidated: the privatization of public enterprises.

Families, as well as businessmen, industrialists, producers, and all those who need to work with australes, will be able to function by dealing with paper bills or coins, with deposits in current bank accounts, or with the traditional bank savings accounts which had been and will be again the simplest and securest manner for the people to save.

Deposits in saving and current accounts will continue to be guaranteed 100 percent by the Central Bank, and the banks will be able to pay a free interest rate.

Those savers who may have doubts about the future development of the dollar, will be offered, until the austral becomes fully stable, the option for their savings accounts be adjustable on a daily basis in accordance with the dollar rate, plus the interest rate that will be freely agreed upon.

With the lending capacity generated by the current accounts and the savings accounts, banks will be able to grant loans in australes, but only to finance family needs and to pay wages and salaries of enterprises. The interest rates on such loans will also be free.

In sum, current employees, retirees, independent workers, and families in general, will be able to operate with australes, while all government policy will be focused on revaluing and stabilizing our money, so that the work and the people's savings will have increasing value.

But to make all this work, each and every one of you must help. Australes will be very scarce and valuable. Take care of them. Do not hurry to spend them. Wait until prices return to the pre-Christmas levels, because last week's price increases are absolutely unjustified, and they are the fruit of a sort of collective hysteria.

Now I want to speak to those owners of fixed-term deposits in the financial system, as well as to all those owners of government internal debt bonds. Beginning today, the financial institutions are not allowed to receive or renew time deposits.

The possibility of resuming such deposits in australes will take place only when price stability has been fully guaranteed and when depositors agree on periods of no less than 90 days, as happens in stable countries.

We have made this decision because this sum of australes that occurs every 7 days and is destined to be changed into dollars, has intensified the hyperinflation. This is a self-destroying phenomenon of savers and investors, but no individual owner of time deposits can prevent it. That is, it is like a collective suicide that only the government can prevent.

To make it clearer, if we release australes tomorrow to all owners of time deposits that fall due in the financial sector, and they, in a desperate position, as it had been occuring until last Thursday, try to change those australes into dollars, the dollar price could go up to some 4,000, 5,000, or even 6,000 australes.

You realize that if that happens all savings will be pulverized, and it will have an additional terrible consequence. This unusual dollar escalation would lead all the prices of goods and services to continue increasing at the same or higher rate as the last few days of last year. In other words, hyperinflation in its last stage would take place: the destruction of the entire monetary system and the complete paralysis of the entire productive and commercial system.

We would be quite irresponsible if we do not prevent from falling into that chaos. Therefore, and with the understanding that the best way to preserve not only the value of work and the savings of the people but also the legitimate right to property of the people who have time deposits, we have decided to exchange time deposits for mandatory payment in 1989-series export bonds at their technical value on 28 December.

The same conversion has been ordered for the all government internal debt notes. In other words, people who up to 28 December had time deposits or any other internal debt note will become owners from that day of export bonds of an equivalent value.

To exempt from the mandatory payment in export bonds small and medium-sized savers who may not be used to handling notes, a decision was made that an owner of time-deposit notes may be get paid up to 1 million australes per note.

The deposits of the businesses which have not yet paid December salaries and Christmas bonuses will be returned to the firm up to the exact amount needed, including their social contributions.

There will be harsh penalties for financial entities and owners of time deposits who use that exemption to get more australes than they are due. It is our responsibility as government leaders to have the least possible amount of australes in circulation. This is the only way for the austral to be strengthened instead of losing its value. It is also our special concern to protect the export bond from losing its value in terms of the dollar because the mandatory conversion of public notes is not made to hurt owners. On the contrary, it is made to prevent hyperinflation from completely destroying the value of their assets.

We chose the export bond for this conversion for various reasons because it is a note to be paid in dollars, which is the currency the people have been after in the last few weeks. Also the export bond is a long-term note which the government can promise to pay. Furthermore, the export bond is paid with interest rates at the international level, and it is a note which has always been paid on time.

However, because the value of export bonds in circulation will increase to about $3 billion, we have taken measures to reduce to a minimum the risks of devaluation of the export bond in terms of the dollar.

Keeping that in mind, it was decided that customs duties, which as of today will be paid in dollars, will specifically guarantee the payment of the export bond services. It was also decided that for a 2-year term, the financial organizations and individuals who did not get rid of the export bonds that were obtained through the exchange system will be able to prepare their balance of account by keeping the bonds' par value instead of the market value. In other words, we want the businesses that need australes to get them by selling goods or dollars and not export bonds. At any rate, export bonds will be freely valued in dollars and australes without any restrictions; therefore, they will have complete liquidity.

Furthermore, the financial organizations will be able to receive deposits and to make loans in export bonds and dollars with free interest rates and without guarantees from the Central Bank. The only restriction will be that the funds obtained in this manner be used in the country and not abroad. The operation of renting export bonds is allowed. This is a financial practice to which the banks and the large companies of the private sectors are accustomed and which will allow the existence of financial credit until the austral is stabilized.

Now I would like to address all the people in general. From what I have said you are able to see that the guidelines of our economic policy have been maintained. Prices and salaries will be free to adjust to the adequate levels and also because we are convinced that controls do not work in any country.

We will resolutely work to collect in a very strict manner the legal taxes and will be very austere regarding public expenditures.

With these measures we have achieved the following: that interest on the internal debt, which has become the largest part of our expenditures, be reduced from $600 million monthly to only $600 million yearly, which is easy to pay.

If to this we add the commitment, assumed on signing the last standby loan with the IMF, to pay with internal resources approximately $1.4 billion in foreign debt interest, the financial cost of all public debts, due to the large deficits of the past, will be limited in 1990 to approximately $2 billion, instead of the approximately $7 billion reached in 1989.

I want to explain that this interest that has fallen due, and which we inherited from the previous administrations, has caused the issuance of australes and internal debt bonds which have in turn led to the hyperinflation, which we also inherited, and which, as I said on Saturday night, we have only managed to curb.

The drastic reduction of interest expenditures, in addition to state reform, the privatization of private and public enterprises, and the elimination of unjustified subsidies and privileges, will help balance the fiscal accounts in a very short period, even increasing the release of funds to take care of social emergencies and the needs of the poorest.

To be more precise on this matter, I want to report that the national government has decided the following:

1. Considering that the 1989 budget has already experienced a reduction of 32 percent, we are going to implement, without updating them, the same values for 1990, with the self-limitation of not committing during the first quarter more than 30 pecent of the resulting funds, to the central administration, autonomous, and decentralized organizations.

2. The creation of a unified fund that will centralize the use of all resources of state enterprises, to achieve a consistent and coordinated application of those funds, avoiding distorting influences in the financial markets.

To give you a full idea of the scope of this financial trend, we believe it surpasses 20 percent of the overall funds circulating in the short-term markets.

3. For a period of 4 months, all new calls for bids or the award of bids to obtain goods or investments by the state are hereby forbidden, both in the central administration and in the public organizations or enterprises. The exceptions will be decided by the national executive branch.

4. Any purchase or contracting negotiations that state organizations need to carry out, and for which a public bid is not necessary, must be authorized by the relevant minister, with the previous consent of the SIGEP, General Union of Public Enterprises, an organization that will depend as of now on the Economy Ministry.

5. To improve the state account and state debts to suppliers and contractors, a system will be implemented to expedite payments for guarantors decline [avales caidos] and overdue credits of enterprises with the official financial system; at the same time, the system will seek the compensation for and payment of state debts to those enterprises.

6. It has been decided to create in a period of 30 days, the Capital Assets Mobilizing Institute, an organization to which all resources and credits of bank institutions that are being liquidated by the Central Bank will be transferred, in addition to other frozen assets. The mission will be to liquidate these assets in a very short period.

7. The reorganization of the official financial system will be carried out according to a timetable that will be released very soon.

8. To make the markets as transparent as possible, especially as for the consumers' defense, the commerce secretariat will offer the free publication by the communications media, of the offers that the commerce sector decides to make. At the same time, in accordance with the cost structures, which this same organization has been handling, it will prepare guidance on prices of the main staple products, prices that will be considered neither minimum or maximum, but only guidance.

9. The opening of the economy will be reasonable but firm, and will try to give the enterprises the necessary time and means to participate in national and international bids.

This fiscal discipline and the foreign support we will achieve based on the seriousness of our economic program, will allow us to eliminate the austral as a symbol of our self-destruction and to create an increasingly more valuable money to pay for productive work and people's savings.

Moreover, to neutralize the immediate effects on salaries of the uncontrolled increase in prices, the national government has decided to grant to public workers a payment of 30,000 australes per employee as an advance on the compensation to be determined. This will be paid this week.

Last, I want to especially stress the following aspects of the measures we are implementing today. There is no increase in fuel prices or tariffs. There is no fixed exchange rate as reported by some theoreticians. There is no reason to continue the speculation or shortages. The loss of the purchasing power of salaries at the cost of the speculators' profit will not be allowed.

There is no reduction of the internal debt, but only a rescue operation that will allow the recovery of savings in a stable currency. The owners of time-deposit certificates will be able to withdraw up to 1 million australes when they fall due. This program seeks to end financial profiteerings and financial speculation.

People of Argentina, the decade of the eighties has been very bad for all of us, economically. We must work together, with faith and hope, so that this first day of the decade of the nineties will begin a long-lasting period of stability and prosperity for all Argentines.

Economy Ministry Cancels 2 Jan Bank Holiday

PY0101023490 Buenos Aires TELAM in Spanish 0020 GMT 1 Jan 90

[Text] Buenos Aires, 31 Dec (TELAM)—The Central Bank announced tonight that the Economy Ministry has cancelled the bank holiday ordered for 2 January and that it has denied "all the reforms which were not officially announced."

The Central Bank released Communique No 11,413 that says:

The Economy Ministry has decided:

1. The decision made in Communique No 11,412 regarding the bank and exchange holiday ordered for 2 January has been cancelled; therefore, bank activity will be normal on that day.

2. The reports about economic and financial reforms which were not officially released are hereby denied.

3. It is reaffirmed that the only guide for economic officials is the defense of work, market freedom, and competition.

4. In view of this special circumstance, it is recommended that economic agents use prudence in their procedures and that they defend the Argentine currency, the austral.

Decree Calls For Collective Bargaining

PY3112232089 Buenos Aires BUENOS AIRES HERALD in English 31 Dec 89 p 17

[Excerpt] The Government urgently called for collective wage bargaining in order to discuss wage updating for 1990 January-March quarter, Labour Undersecretary Guillermo Marconi said yesterday.

Decree number 1,614, issued on Thursday includes all those private and state owned companies' workers who are under the collective wage bargaining regime, while the hike for the central public administration's employees will be fixed by the government.

Marconi said that "more than 350 collective wage bargainings will be reopened as from next Tuesday," and pointed out that the labour secretariat employees will work next Saturday—Epiphany Day—to facilitate a speedy staging of the talks. "Holiday schedules for personnel will be rescheduled so that we count on all the available manpower to enable immediate negotiations," said Marconi.

The official also highlighted that wage bargainings "will be carried out without any kind of restraints, strictly adhering to the guidelines specified by law." Marconi stressed there will be "no ceiling nor limits; the talks will be totally free."

The decree was issued after both the Azopardo and the San Martin factions of the currently split General Labour Confederation (CGT) forcefully demanded resumed wage negotiations, in view of the deep socio-economic crisis "worsened by the government's recent decision to liberate the main economic variables."

Most unions had already renegotiated their wage agreements for the 1990 January-March quarter. However, the hikes forseen do not surpass the 10 percent for the quarter, while the inflation rate is estimated to amount to 60 percent, only during January.

As for the central public administration state sector, the discussion is to be carried out in the framework of the Wages' Policy Commission, the entity which also fixes the hikes for teachers and Justice employees. [passage omitted]

Labor Under Secretary Resigns at Menem's Request

PY2912144889 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1046 GMT 29 Dec 89

[Excerpt] Buenos Aires, 29 Dec (NA)—Labor Under Secretary Roberto Digon has irrevocably resigned in response to a request from President Carlos Menem. The request was prompted by Digon's harsh criticism of the government's economic policy and his demand that the interests of the workers be protected.

The request for his resignation, which has already been accepted, was conveyed to Digon yesterday by Roberto Dromi, minister of public works and services, who is acting labor minister while Jorge Triaca is in the United States. According to Digon, Dromi asked him to resign in response to an "expressed request from the president." This is also clearly stated in Digon's letter of resignation.

Yesterday morning Digon made remarks to the effect that the "country is at the brink of chaos" and that the situation arising from the economic crisis "is shameful." He also urged the government to "deal with the speculators."

Labor Secretary Roberto Diaz summoned Digon to Government House that afternoon. Digon was met by Minister Dromi, who asked him to resign.

The former under secretary "fully confirmed" his remarks in his letter of resignation and explained that he had made those remarks "convinced that he was making a contribution to solving the serious crisis that the country is experiencing." [passage omitted]

Mera Figueroa Appointed Acting Foreign Minister

PY3012171989 Buenos Aires Domestic Service in Spanish 0100 GMT 30 Dec 89

[Text] The executive branch has officially accepted the resignation of Roberto Digon from his post as social security under secretary. The executive branch has also appointed Interior Minister Julio Mera Figueroa to act as foreign minister as long as Domingo Cavallo is out of the country.

Changes To Presidential Secretariats Made

PY2912202089 Buenos Aires BUENOS AIRES HERALD in English 29 Dec 89 p 11

[Text] The Government decided yesterday to dismantle the National Security Council and two other institutions created by the Radical administration. and placed the National Atomic Energy Commission (CNEA), formerly under direct presidential control, under the jurisdiction of the Public Works Ministry energy department.

Decree 1,752 also ordered the transfer of four presidential secretariats: Tourism and Drug Prevention will be under the Economy Ministry, Sports and Women's Affairs under the Health and Social Action Ministry.

Apart from the National Security Council, the Electronics Advisory Team (created in 1986) and the Technological Development Team (1987) were dismantled.

'Uncontrollable' Price Increases Continue

PY3112231289 Buenos Aires BUENOS AIRES HERALD in English 31 Dec 89 p 17

[Text] While Economy Ministry sources stated yesterday that "the new economic plan will bring tranquility to the markets," the uncontrolable increase in prices continued yesterday—especially in food—as more and more shops closed their windows or experienced lack of stock and most service stations decided to restrict the sale of petrol due to the persistent demand despite the 50 percent increase implemented yesterday.

The Fuel Suppliers Chamber disclosed yesterday that numerous service stations were suffering petrol shortages, which affected mainly those tourists starting their vacations and waiting to fill their tanks to leave the big cities.

Despite the recent increase, suppliers had to limit the amount sold to each individual vehicle to 10 liters, a decision which caused discontent and even isolated incidents of violence, as drivers queued for long hours to buy petrol.

Chamber leader Jose Rios told the press that a service station operator in Florencio Varela was shot early this morning, and that the Buenos Aires police were investigating. "I have evidence that the trucks bringing petrol to our stations are not working as they should, and there is no official voice to tell us which are the rules of the game," Rios protested.

Meanwhile, many stores in Greater Buenos Aires hanged up notices in their windows announcing: "Closed until January 15 for vacations." Most chemists ceased to sell medicines altogether at mid morning yesterday, after the overall increase in the month added up to 270 percent, placing the pension system on the verge of collapse.

Laboratories only resumed sales to public hospitals after direct negotiations led by Health Secretary Matilde Menendez, while goods purchased for the traditional New Year parties increased in cost by an average 170 percent in one day.

Bread, cheese, eggs, rice, and sugar were among the products which saw their prices increase most. Suppliers were reported to walk into the shops in the morning with a list of prices and warn that they would return in the evening with another list.

Gasoline Prices Increase 50 Percent

PY3012115389 Buenos Aires Domestic Service in Spanish 0100 GMT 30 Dec 89

[Excerpt] Energy Secretary Cesar Araoz announced tonight that as of 0000 on 30 December the price of super and regular gasoline will increase by 50 percent, while gas oil and natural pressured gas prices will increase by 30 percent.

He reported that the Economy Ministry has established that the new prices for super and regular gasoline will be 645 and 540 australes per liter, respectively. Gas oil will cost 295 australes per liter and natural pressured gas will cost 227 australes per cubic meter. [passage omitted]

Decree To Privatize Airline Approved

PY3012173289 Buenos Aires Domestic Service in Spanish 0100 GMT 30 Dec 89

[Excerpt] As announced by President Carlos Menem 2 days ago, the decrees to privatize Aerolineas Argentinas, to ask international bids for two thermoelectric power plants, to freely call labor-management talks, and to reduce or change the sentences of common prisoners were announced by the government today.

Let us begin with the partial privatization of the Aerolineas Argentinas state company, which includes all the shares of its tourism company and 55 percent of Buenos Aires Catering Ltd. The privatization will take place through international public bidding with a basic price, but the majority portion of the capital will remain under the control of the state or Argentine individuals to ensure the control and direction of the company.

The privatization plan includes the participation of Aerolineas personnel in the company's administration. This privatization must not affect the current valid collective labor contracts, labor unions, or social welfare and pension rights. [passage omitted]

Bolivia

Government Confirms Presence at Andean Summit

PY3012200289 La Paz PRESENCIA in Spanish 27 Dec 89 p 7

[Text] The Andean countries' summit with U.S. President George Bush in Cartagena de Indias, Colombia, will be held in February 1990 despite the Peruvian Government's decision.

The Bolivian Government has confirmed its intention to attend this meeting, and to comply with the schedule of preliminary meetings, Bolivia has sent letters to the Peruvian and Colombian Foreign Ministries confirming that a technical meeting will be held in Santa Cruz on 10 January.

Information Minister Manfredo Kempff has disclosed that the gathering will be a technical meeting, and he said that the interests of the coca-producing countries will prompt Peru to attend this technical meeting.

Kempff said that a meeting of the Bolivian, Colombian, and Peruvian presidents, but without President Bush, would not be possible and that such a meeting could not fulfill the original purpose.

Referring to the Peruvian Government's decision to withdraw its diplomatic representative from Washington and cancel the Andean summit, Kempff said: "Peru has adopted a sovereign decision which we cannot judge; however, we believe that it is not a definitive decision. Bolivia has a commitment with Peru and Colombia to attend the summit."

The minister said that for the February summit the governments of the three countries will have an accurate report which the experts in drug trafficking are working on.

He added that the 10 January meeting in Santa Cruz has been confirmed and that the presence of a Peruvian representative is expected although there has been no official reply in this regard yet.

Kempff said that joint decisions must be made during the Cartagena meeting. Therefore, it is quite unlikely that the meeting will be held without President Bush's presence.

The minister ended by stating that the United States is very interested in the meeting and that Bolivia believes it should be held.

MIR Leader, Information Minister on Panama Events

PY3012133389 La Paz La Red Panamericana in Spanish 1130 GMT 30 Dec 89

[Text] President Jaime Paz Zamora will not recognize any Panamanian government that is not freely elected, according to Oscar Eid Franco, leader of the Movement of the Revolutionary Left [MIR] New Majority faction. Eid Franco explained that the Patriotic Agreement [made up of the MIR and the Nationalist Democratic Alliance, the two ruling parties] has asked the national unity government to postpone recognition of the new Panamanian Government, installed in the U.S. invasion of Panama, until the Panamanian people can freely and democratically decide their own fate.

Information Minister Manfredo Kempff Suarez also stated that the Bolivian Government deplores the arrest of the Cuban ambassador to Panama by U.S. troops:

[Begin Kempff recording] The Bolivian Government, like anybody else, finds it absolutely intolerable to have a diplomat with diplomatic immunity, somebody protected by international agreements such as the Vienna Convention, held for a single minute. This action violates every international convention. It constitutes an attack on the country that this person represents and on the person of the diplomat, who has absolute immunity. [end recording]

The minister also said that the Bolivian Government wants Panamanians to decide their own fate. He explained that this does not mean that the Bolivian Government is demanding that elections be held in Panama; the final decision regarding the new government and the manner of its appointment is up to the Panamanian people alone.

Kempff insisted that the right of asylum must be respected and that the Bolivian Government urges that this international right not be violated in Panama.

Under Secretary on Shining Path, Eradication

PY3012140589 La Paz La Red Panamericana in Spanish 1130 GMT 30 Dec 89

[Text] According to Interior Under Secretary Raul Loayza, the Peruvian terrorist group Shining Path does not maintain any organized or political presence in Bolivia. He added, however, that it is impossible to rule out the possibility of this group's peaceful presence in Bolivia, since it could be entering the country for recovery and resupply purposes. He indicated that Interior Ministry security organizations and Armed Forces units are constantly patroling the Peruvian border.

The under secretary was also asked about some U.S. congressmen's displeasure with Bolivia's failure to comply with agreements on eradicating coca plantations. He answered that it was a matter of different opinions. The Bolivian Government and people are aware of the efforts that are being made in the struggle against drug trafficking despite the country's severe limitations and problems. Officials from other countries frequently make demands without taking into account our reality, Raul Loayza said. He added: International cooperation is slow in coming; we do not get concrete, immediate, and effective assistance. Criticism, however, is swift.

The under secretary also reviewed the initial months of the new administration. He indicated that in general it has been a process of settling into the job in which there has been a lack of understanding and patience, especially from the teachers. The opposition parties also contributed to hampering the new government's settling-in process, Loayza concluded.

Promotion of High-Ranking Officers Approved

PY0101204090 La Paz EL DIARIO in Spanish 15 Dec 89 p 13

[Text] During a closed-door meeting yesterday, the Senate approved the promotion of 36 new Armed Forces generals. Carlos Farah Aquin, president of the Senate National Defense Committee, told the press that "the report submitted to the plenum by the Defense Committee as well as the promotions proposed by the executive branch were unanimously approved. None of those proposed to the Senate was questioned. On the contrary, everyone was unanimously accepted."

Here is the list of the new Armed Forces generals:

1. The following were promoted to General of Force: In the Army—Division General Jorge Moreira Rojas and Division General Rolando Espinoza Lora; in the Air Force—Division General Victor Hugo Balderrama and Division General German Callejas Fuertes; in the Navy, Vice Admiral Anibal Gutierrez Chavez was promoted to admiral.

2. The following were promoted to division general and vice admiral [as published]: In the Army—Brigadier Generals Julio Pozo Medina, Jaime Columba Vedia, Franz Ordonez Carrion, Alejandro Mejoa Gamboa, and Augusto Sanchez Valle; in the Air Force—Brigadier Generals Raul Villarroel and Ernesto Mendoza Meneses.

3. The following were promoted to brigadier general and rear admiral [as published]: In the Army—Colonels DAEN [Graduate of the Higher Military Studies School] Carlos Macias Kraljevic, Moises Schiriqui Vejarano, Luis F. Gemio Oropeza, Jorge Luis Orellana Martinez, Carlos Casso Michel, German Amelunge Ferreira, Franz Rosich Cisneros, Lucio Loayza Ramos, Eduardo Quiroga Gomez, Hernan Avila Lea Plaza, Jose Salmon Cajias, Oscar Guardia Viana, and Arsenio Rios Rios; in the Air Force—Colonels DAEN Dardo Gomez Garcia, Fernando Sanjines Yanez, Jaime Rojas Villarroel, Luis Paredes Aliaga, Jose Pantoja Sotelo, Carlos Montero Vasquez, and David Valdivia Camacho.

Finally, the following were promoted to rear admiral: Ship-of-the-line Captains DAEN Alfredo Rivera Parada, Waldo Vasquez Sanjines, Waldo Nava Lopez, and Abelino Rivero Parada.

Brazil

Collor Starts 13-Country Tour 26 January

PY2912164289 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 29 Dec 89

[Text] President-elect Fernando Collor de Mello will make a long trip abroad before assuming power. Starting 26 January, Collor will visit 13 countries, including the United States, Canada, the Soviet Union, Japan, the PRC, and Korea.

According to Ambassador Marcos Coimbra, a Collor adviser, the president-elect will meet with the presidents of these countries and with the heads of international organizations.

[Begin Coimbra recording] He will hold his first personal contacts with chiefs of state to meet those whom he hasn't yet met and to explain Brazil's position in the international scene. Collor will probably meet with the IMF and international bankers in Washington. [end recording]

As for the work between Collor's transition team and Sarney administration representatives, Ambassador Coimbra said that everything is going smoothly:

[Begin Coimbra recording] We have been given full support. No problems have cropped up in any respect, not in terms of the government's functioning or from the installation [words indistinct] (?in) 1 day we solved everything. [end recording]

Collor's transition team will begin work as of 10 January in the annex of the Brazilian Foreign Ministry.

TSE Formally Declares Collor Election Victory

PY3012130289 Brasilia Domestic Service in Portuguese 2100 GMT 29 Dec 89

[Report by Andrea Tavares]

[Text] The Superior Electoral Court (TSE) this afternoon formally announced the results of the presidential elections and officially declared National Reconstruction Party (PRN) candidate Fernando Collor de Mello as President Sarney's successor.

The TSE ministers held the solemn session, which took less than 30 minutes, to announce the runoff returns. The session was opened shortly after 1800 by TSE Chairman Francisco Rezek, who listened to the regional partial reports by each TSE minister. The general report by Minister Sidney Sanchez was unanimously approved and the session then ended.

Daniel Tourinho, chairman of the PRN national executive board, attended the TSE ceremony on President-elect Fernando Collor's behalf.

The TSE ministers are currently holding an administrative session to decide on the schedule for the parties' electoral campaign programs to be broadcast in 1990. So far, only two items have been decided: The casts will begin broadcasting through a radio-television hookup as of 18 January and they will always be broadcast on Thursdays.

Finance Minister Da Nobrega Interviewed

PY2912174989 Rio de Janeiro Rede Globo Television in Portuguese 0900 GMT 29 Dec 89

[Interview with Finance Minister Mailson da Nobrega by Carlos Magno and an unidentified reporter, at the Rede Globo television studios in Brasilia—live]

[Excerpt] [Reporter] The ghost of hyperinflation will haunt Finance Minister Mailson da Nobrega's New Year celebration, just as it has haunted the Brazilian people for the past few months. The finance minister yesterday resumed talks with businessmen, explaining that renewed hyperinflation could destroy the Brazilian economy. These talks, which will continue next week, seek to create favorable conditions for the next 2 months until the new administration takes over. Thus, the objective is no longer to curb inflation, but to prevent it from getting out of hand. Minister da Nobrega will discuss these issues.

Good day, Minister. President Jose Sarney has just said in his "Chatting by the Radio" program that he rules out any shock economic measure in the next few months. Is this decision final?

[Da Nobrega] Yes, the president decided this some time ago. Last June, the planning minister and I discussed this subject with the president. At that meeting, Sarney said that he had decided to rule out any proposal to freeze prices or wages. Today's program simply confirms the measure.

[Magno] Why is inflation so high? Why isn't the government-businessmen agreement holding price increases to only 90 percent of the previous month's Consumers Price Index?

[Da Nobrega] First, that is not the objective of the agreement. That is incorrect. The objective of the agreement is to prevent an acceleration of the inflation or disorder in the price adjustments. The 90 percent limit was an automatic readjustment mechanism for each product. The sectorial chamber [camara setorial] was, and still is, in charge of settling price differences above the 90 percent level. However, we are currently worried over the acceleration of inflation, which, despite the current indexation system, makes people loose money. Inflation climbed considerably in December—which considerably harmed wage earners—but inflation from May to June was greater, approximately [percentages indistinct].

We have identified four basic factors which explain this inflation acceleration. The first factor is the price restructuring of agriculture products, which for 5 months were readjusted at a rate below the inflation level. This helped to curb inflation. However, price restructuring began this month on beef and other protein products.

The second factor was the preventive price increase which began 2 weeks before the second round of the elections. At that time there were many rumors which influenced the businessmen. This has already stopped. We now have a president-elect who is starting to tell the nation what he proposes to do.

[Reporter] This means that we have experienced a psychological effect which is natural in the final phase of an administration.

[Da Nobrega] Clearly it was psychological. The third factor is that at the end of this year, the year-end bonus—in real terms—was greater than in previous years. This bonus has had some influence on Christmas sales, which, although they were not as great as expected, have caused an impact on sales. This effect will disappear in January, which will be a normal month, and the demand will somewhat drop.

The fourth factor is the profit margin. The government must authorize profit margin levels in the financial market to prevent speculation in the gold and dollar markets. Government certificates, which were beginning to exert an influence on price increases, must also be controlled. Some sectors were beginning to increase their cash prices by 90 to 100 percent monthly.

Thus, we decided to attack these factors which were accelerating the inflation. That is why we began talks with the businessmen. We are seeking a way to prevent inflation acceleration by the dissemination of [word indistinct].

[Reporter] What is the government doing to control inflation—since it is no longer possible to reduce it—given that the indexation system affords no control over inflation?

[Da Nobrega] A long time ago—when it became clear that the state had lost most of its resources, its expenses had increased, and the transition period was ending —it became clear that it was nearly impossible to control inflation. The government thus concentrated on avoiding economic disorder and open hyperinflation. That is what we did.

We have a very powerful instrument for this purpose, which is the monetary policy and interest rates. We control prices and we have what one Sao Paulo reporter called saliva. We are talking, and we are calming businessmen. Inflation currently creates uncertainty. Clearly it is psychological. From an objective and macroeconomics point of view, there are no reasons why inflation is accelerating.

We will continue with our talks seeking to calm the situation. It is possible. We have managed for the past 14 months. It is difficult to think that in less than 3 months, we could lose the war. We will not loose the war. We will transfer the country—as the president said today in his weekly radio program, with a high inflation rate but with the economy under control—an organized and working economy.

[Magno] Despite the high inflation rate, you are trying to calm us by saying that the economy is under control. Don't you ever feel scared, and think: My God, there is no solution?

[Da Nobrega] Listen, the Finance Ministry is an entity in which one is scared every 5 minutes, especially during this unprecedented crisis in Brazilian history. It is a life under permanent tension. However, we are already used to this. Catastrophes have been forecasted on several occasions; they did not take place and they will not take place. [passage omitted]

Nobrega on Reserve Level, Economic Plans

PY3012134889 Brasilia Domestic Service in Portuguese 2100 GMT 29 Dec 89

[Report by Sonia Filgueiras]

[Text] Finance Minister Mailson da Nobrega today said there is no reason for pessimism regarding the national situation because Brazilian foreign reserve levels are at around $7 billion, which is considered a very good level.

Some 6 months ago, journalists repeatedly asked Minister Nobrega about the level of Brazilian foreign reserves, i.e. how much Brazil had in cash. The minister never answered the question. There was speculation at the time about the possibility of declaring a moratorium. Now the minister himself has declared that the reserves total $7.2 billion, more than $6 billion, which is considered a reasonable level. The minister's strategy now is to calm all sectors of the economy by ensuring that, despite the high inflation rate, there will be no hyperinflation.

Mailson da Nobrega will calm the economic sector on two fronts: through direct contacts with the press, and during talks he will hold with businessmen. He will thus reassure the productive sector.

The finance minister also said that interest rates will remain high to prevent excessive consumption and to control inflation and price escalation. He said these measures will continue to be implemented until the end of President Sarney's term.

Chile

Terrorists Attack U.S.-Affiliated Properties

PY2912221089 Madrid EFE in Spanish 2112 GMT in Spanish 29 Dec 89

[Text] Santiago, 29 Dec (EFE)—Police today reported that during the last few hours terrorists staged three bomb attacks against U.S. properties.

No one has claimed responsibility for the attacks so far. They affected The U.S.-Chilean Cultural Institute, a Mormon Church in the capital, and a branch of the Citicorp financial firm in Vina del Mar, 125 km northeast of Santiago.

Carabineros have reported that a bomb, which was placed on the 5th floor of the Chilean-U.S. Cultural Institute, 150 meters from the Government Palace, went off last night causing damage but no victims.

The bomb had been manufactured with 1 kilo of ammonium gelagnite and was activated with a fuse, police sources said.

At 0115 this morning (0415 GMT) incendiary bombs were hurled at a Mormon temple at Nunoa District, in Santiago. The bombs caused minor damage. At the time of the attack the building was empty, according to the sources.

The attackers painted the walls and left pamphlets with ultraleftist messages of the Lautaro Youth Front.

A bomb, which shattered the glasses and destroyed the masonry of the CITICORP financial company offices in downtown Vina del Mar, exploded today shortly after 0200.

The police reported that another bomb was discovered and defused before it exploded at a catholic school in Vina del Mar.

A few days ago, the Chilean-U.S. Cultural Institutes in Vina del Mar, Talca, and Temuco were the target of bomb attacks.

The Manuel Rodriguez Patriotic Front (FPMR), which the Pinochet regime considers to be the Communist Party's armed branch, announced following the U.S. invasion of Panama that it would attack "U.S. interests in Chile."

More Bombings Reported

PY0101164190 Madrid EFE in Spanish 1526 GMT 1 Jan 90

[Text] Santiago, 1 Jan—The police reported today six [as received] bombings in Santiago on New Year's Eve and in the first hours of 1990. The explosions caused damage but no injuries.

Carabineros reported that the attacks took place between 2200 on Sunday and 0220 today and that they damaged a Mormon church, an Australian transportation company, a medical center, a child care center, and a police office. In all cases, the explosive used was ammonia gelatin in quantities of from 100 to 200 grams. Only minor damage was caused in each case.

At a building on Bernardo O'Higgins Avenue, unidentified individuals planted a simulated bomb with a note asking for the release of political prisoners. It was signed by the Manuel Rodriguez Patriotic Front (FPMR).

Some of the explosions went unnoticed amid the sound of fireworks that welcomed the new year in Santiago.

Foreign Minister on Eastern Europe, Panama

PY3012194289 Santiago Radio Chilena Network in Spanish 2200 GMT 29 Dec 89

[Text] Foreign Minister Hernan Felipe Errazuriz has announced that he will travel abroad in the next few days to sign new agreements and to strengthen relations with other countries. Errazuriz will travel to Hungary, Poland, and Czechoslovakia. According to the foreign minister this trip is part of an integration plan with Eastern Europe.

Errazuriz criticized the international organizations for their prejudice against Chile.

[Begin Errazuriz recording] The international situation today confirms the validity of the criticism Chile made in international forums and exposes the unfair foreign press coverage of our political process. The world today seems surprised at events in Eastern Europe. But no one wanted to listen when we said that the communist system was stagnating. The world is also surprised at the corruption in the GDR Government, the genocide in Romania, and the government in Panama. [as heard] But none of these situations was analyized by international organizations. We have said, with reason, that Chile was been discriminated against, that there was an international conspiracy against Chile, that there was cynicsm regarding the analysis of our situation.

Today we can surely state that the international community many times judged our process without considering important factors. [end recording]

Errazuriz referred to the situation in the Apostolic Nunciature in Panama where General Manuel Antonio Noriega cautiously took refuge. He recalled the Chilean case and the number of people from the MIR [Movement of the Revolutionary Left] who took refuge in the Apostolic Nunciature in Santiago.

Other well-informed sources have said that the U.S. Government consulted the Chilean Government on how to deal with this complex situation.

PLO's Arafat Sends Greetings to Aylwin

PY3012030089 Santiago Radio Chilena Network in Spanish 2200 GMT 29 Dec 89

[Text] Yasir 'Arafat, the president of the State of Palestine and PLO leader, has sent a letter to Chilean President-elect Patricio Aylwin, congratulating him on his electoral victory in the 14 December election.

The letter was delivered by PLO Council Deputy (Francis Shemoli) and disseminated by the Chilean Palestine Federation headed by (Yanim Natal).

Arafat says in the letter that Aylwin's victory reflects the people's trust in his person and his struggle to return to the democratic system.

Socialist Party Factions Reunite

PY3012210489 Santiago Radio Cooperativa Network in Spanish 2200 GMT 30 Dec 89

[Excerpts] The last phase of the reunification process of the Chilean Socialist Party began today with signing of a document by Clodomiro Almeyda and Jorge Arrate representing the two main Socialist Party factions and Oscar Guillermo Garreton representing the MAPU [United Popular Action Movement].

During a ceremony held in the Tupahue Hotel's Aconcagua Hall, it was officially announced that the new executive board of Reunified Socialism [Socialismo Reunificado] will be headed by Clodomiro Almeyda as president and Jorge Arrate as secretary general. Luis Alvarado and Manuel Almeyda were appointed under secretaries general, and Carlos Las was named deputy under secretary general. [passage omitted]

On 29 December in La Serena, Fourth Region, the Almeyda and Jorge Arrate factions of the Socialist Party ceased to exist and formed a single Chilean national and regional Socialist Party. This took place during a ceremony at the La Serena headquarters of the PPD [Party for Democracy. [passage omitted]

Police Station Attacked; No Injuries

PY3012140789 Santiago Domestic Service in Spanish 0930 GMT 30 Dec 89

[Text] Unidentified persons have attacked the southern investigative police precinct near bus stop 11.5 on Bernardo O'Higgins Avenue. According to reports, three individuals in a Pony vehicle attacked the southern investigative police stations with automatic weapons last night. The bullets hit the building but fortunately did not cause casualties.

The police are carrying out intensive operations to arrest the criminals, who fled toward La Victoria neighborhood.

Colombia

Bush Confirms Plan To Blockade Drug Traffickers

PY2912183289 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 29 Dec 89

[Text] Even though the Colombian Government yesterday issued a short communique denying it, U.S. President Bush has confirmed that the Pentagon is planning to deploy a war fleet off Colombia's coasts to block the shipment of drugs out of Colombia. The argument now revolves around terminology: Was Colombia consulted about, or simply informed of, this plan?

The U.S. Embassy in Bogota reported that the Colombian Government was not consulted about the plan, although the possibility of conducting operations of this kind has been mentioned. However, the Colombian Government issued a brief communique stating that no consultations have been held with the United States on the subject.

Still arguing semantics, the U.S. Embassy said that the plan would not constitute a blockade; it would merely involve operations in international waters off Colombia's coast. This is like saying that we will not go into your house but that we will arm ourselves and park on the sidewalk out front to see who is coming and going.

The truth is that the report, published for the second time in a month, forced both governments to issue official communiques. Presidential Secretary General German Montoya, who is currently in charge of the Foreign Ministry, made many phone calls yesterday to President Barco, who is vacationing in Cartagena. A two-paragraph communique denying everything was finally released. It was also reported that the United States wants to deploy the aircraft carrier off Colombia's coasts during Easter week, a few days after the antidrug meeting in Cartagena that President Bush plans to attend.

Government Rejects Blockade

PA3112025689 Paris AFP in Spanish 0120 GMT 31 Dec 89

[Text] Bogota, 30 Dec (AFP) - Government (Interior) Minister Carlos Lemos told the press today that Colombia will not accept a U.S. blockade of its airspace because this would be a hostile position.

"A blockade, unless it is accepted by the country, which I very much doubt, is always a hostile stance. I do not believe, therefore, that the word has even been mentioned during the initial talks that have taken place at State Department level. A blockade is equivalent to a sanction, which of course in this case would be intolerable," added the minister.

"If any country is making important and tangible headway with concrete results against drug trafficking, it is ours. So why block it?" asked the minister

Lemos underscored that "what the United States could do (and should do), is better patrol their own borders," to stop the entry of airplanes that leave Colombia loaded with cocaine.

Lastly, the head of the political portfolio confirmed that Colombia has not talked with the Pentagon on the topic.

Information from Washington that received wide press coverage at the start of the week, mentioned the possibility that the U.S. military would set-up a tight air and sea control in the Caribbean, which would include stationing a large aircraft carrier off the coast of Colombia.

This caused an immediate reaction in this country, where 80 percent of the cocaine consumed in the United States comes from or is refined.

Number Five Man in Medellin Cartel Captured

PA2912153389 Paris AFP in Spanish 1455 GMT 29 Dec 89

[Text] Bogota, 29 Dec (AFP)—Jose Ocampo, the Medellin Cartel's number five man, was captured today along with 15 bodyguards, according to a report by the elite police corps that seeks drug traffickers all over the country.

The arrest of Ocampo, knicknamed "Pelusa," took place at the Virgen del Cobre Farm, Necocli Jurisdiction, Antioquia Department. The Medellin Cartel, accused by the U.S. Drug Enforcement Administration of introducing 80 percent of the cocaine consumed there, operates in the capital city of this department.

"Pelusa," according to the Colombian police, had risen to the fifth position within the cartel after the elite corps killed Gonzalo Rodriguez Gacha, "El Mejicano," in mid-December near Tolu, a town located in the Caribbean coast 800 km north of Bogota.

"He is one of the most notorious Colombian drug traffickers," a police spokesman said. Ocampo will be taken to Bogota. "He is one of Pablo Escobar's top aides," the spokesman added, noting that the intense dragnet to catch the Medellin Cartel's number one man continues.

'Huge' Medellin Cartel Explosives Center Raided

PA2912203289 Madrid EFE in Spanish 1845 GMT 29 Dec 89

[Text] Bogota, 29 Dec (EFE)—The Administrative Department of Security (DAS), Colombia's secret police, has raided in Bogota a huge explosives center owned by the Medellin Cartel and confiscated 3,000 kg of dynamite that was "imported" by this organization from Panama, Ecuador, and Peru, it was officially reported today.

DAS Director Gen Miguel Maza Marquez said that in this explosives warehouse, the drug traffickers prepared the attacks against banking, political, and newspaper institutions, as well as against the Avianca plane in which 107 people were killed and against the headquarters of the secret police.

The finding took place following an information-seeking operation conducted over the last 3 months, thanks to statements by terrorists themselves who were captured by the authorities, the DAS director said.

"Those who revealed exactly where car-bombs were placed were the people who were arrested in connection with the assassination of presidential candidate Luis Carlos Galan," Gen Maza Marquez said.

A press communique released by the DAS concerning the dismantling of the "explosives center" in a 2-story building in the San Antonio neighborhood in southern Bogota, disclosed that the dynamite had been "imported" from the CEVESA company in Peru and the Explosem company in Ecuador.

It was also reported that the wireless and digital detonators, made in the United States, were purchased in Panama and secretly brought into Colombia.

The explosives and detonators were found hidden inside electrical appliances.

Gen Maza Marquez said that at the Medellin Cartel "explosives center" in Bogota, the terrorists assembled the bombs used to blow up the EL ESPECTADOR newspaper installations on 2 September, as well as several car-bombs, including the one that blew up in front of the Pomona Supermarket in northern Bogota and in front of the Gen Santander School of Police Cadets in southern Bogota. One of these car-bombs blew up in the basement of the Tequendama Hotel in downtown Bogota.

The source added that terrorists in the "explosives center" also prepared the package-bomb that was placed in the Avianca HK-1803 plane that blew up in flight on 27 November, 5 minutes after taking off from Bogota on its way to Cali, in which 107 passengers were killed.

The DAS added that in this same place, the terrorists built the bus-bomb that destroyed the DAS building, in downtown Bogota last 6 December, in which 67 people were killed and over 1,000 were wounded.

The DAS reported that with the discovery of this center, "a hard blow was dealt against narcoterrorism."

More on Bomb Factory

PY3012023689 Bogota Inravision Television Canal 2 in Spanish 0000 GMT 30 Dec 89

[Text] Officials have found a car-bomb factory plant, the products of which have killed and injured dozens of people, and caused incalculable (?damage in Bogota).

At (Nau Legal), in southern Bogota, the officials found more than 3,000 kilos of dynamite imported from Peru and Ecuador. The dynamite was hidden in washing machines, dryers, and ovens. The authorities also found electronic equipment for remote control activation of the bombs and documents that reveal a great deal about the gang headed by Gonzalo Rodriguez Gacha.

Miguel Masa, director of the Administrative Department of Traffic and Transportation, DATT, said that several of the car bombs that went off in Bogota were manufactured at this plant. [words indistinct] and also the car bombs that were supposed to go off at the (?community center) and at the police officers school, which went off at the bridge at the corner of Avenues 68 and 13. DATT personnel also believe that the bomb that destroyed the Avianca plane was also manufactured there.

Masa confirmed the presence of an ETA [Basque Fatherland and Liberty] terrorist, who is specialized in explosives.

[Begin Masa recording] We were told that he usually visited a place nearby. Unfortunately, however, we could not catch him, but we eventually will, and you will see.... [end recording]

Paraguay

Laino Says PLRA To Remain in Congress

PY0101210090 Asuncion HOY in Spanish 28 Dec 89 p 8

[Text] Domingo Laino, president of the Authentic Radical Liberal Party [PLRA], has reported that the achievements during the congressional period have been assessed, especially the law on political parties and that the conclusion was that everything is proceeding very well, especially because this law has already been approved by the Chamber of Deputies. There is no reason for the PLRA to withdraw from the process.

The bill on political parties has been approved in a general, and it needs only to be approved in specific because 25 percent of the bill has already been approved, he said.

Laino added: "The congressional period has not yet ended because the special sessions called by the executive branch represent the continuation of what we have been doing in the previous period."

"Next year, we believe that this congressional year will end on 28 February because the executive branch call for special sessions of the national congress will end on that day; they are scheduled to begin on 22 January," Laino added.

He made these remarks in response to the insistence of the Popular Movement for Change faction that they (Laino followers) must fulfill their promise to the last convention that they will withdraw from the process if an electoral law is not approved.

The main leaders of the Popular Movement for Change are certain that the congressmen of their faction will not withdraw from the process.

"We already knew, even during the March 1989 convention, that should it be appropriate to withdraw from the process, a huge crane will be necessary to pull them out," Miguel Angel Martinez Yaryes said, referring to the case. He (Martinez Yaryes) even promised that he would withdraw from the DICEN [expansion unknown] administrative council should the congressmen decide to withdraw from the process. He added that the precandidacy of Miguel Abdon Saguier for the 1990 municipal elections will probably be withdrawn.

Peru

Independent Movement Splits From FREDEMO

PY3012205289 Lima Television Peruana in Spanish 1300 GMT 30 Dec 89

[Text] FREDEMO [Democratic Front] continues splitting with a new movement called We Are Free [Somos Libres], which wants to obtain more participation for the independent sectors. This movement is headed by Bank Association President Francisco Pardo Mesones.

[Begin recording] [Reporter] Why has this new independent We Are Free movement been created?

[Pardo] Mainly, we believe that the independents want to be represented by independents and not by politicians. Thus, since there are far more politicians than independents within the FREDEMO, I think that the people should have another option beside the 60 independent senatorial candidates. This movement is simply another option for elections. I think this is good for democracy; I do not think it will confuse or separate anyone. [end recording]

Peruvian-Soviet Air Company Established

PY0101221090 Lima EL COMERCIO in Spanish 14 Dec 89 p A1

[Text] The Peruvian-Soviet company Aero-Manu Incorporated, which will operate in the jungle, was created on 13 December. The company was established in the township of Villa del Carmen, Madre de Dios Depaartment.

Mario Muniz Yavar, chairman of the Aero-Manu Incorporated Executive Board, has reported that seven Antonov light planes with room for 12 passengers have been purchased. Each plane costs $200,000.

Muniz said that the capital of the enterprise amounts to $1 million and that 20 percent of the shares belong to the Soviet firm Avialat.

Avialat director Vladimir Drovovoz attended the ceremony inaugurating the company.

State of Emergency Renewed in Several Departments

PY3012121889 Lima Television Peruana in Spanish 0100 GMT Dec 89

[Text] The state of emergency has been renewed in the departments of Apurimac, Huancavelica, San Martin, Junin, Pasco, Ayacucho, Huanuco, and Hucallali.

According to a supreme decree, the state of emergency has been renewed because the reasons behind the origin of this measure are still valid.

Terrorist Attack Reported in Alto Huallaga

PY2912233889 Lima Television Peruana in Spanish 0100 GMT 29 Dec 89

[Excerpt] This morning the national police repelled an attack perpetrated by Shining Path terrorists in three townships in the Alto Huallaga region.

During the attack three policemen and an unspecified number of terrorists died, while five policemen were injured.

The attacks on the police stations of Nueva Esperanza, (Masamari), and Nuevo Progreso, occurred simultaneously. The dead and injured policemen were brought to Lima in an Antonov plane and immediately taken to the police hospital. One of the courageous dead policemen has been identified as Isidro Reinoso Crispin, 26 years old.

The attack on the Nueva Esperanza police station took place at approximately 0630 this morning and lasted near two hours.

According to early reports, the policemen were attacked with a grenade that was launched from the top of a mountain. The policemen repelled the attack by over 250 narcoterrorists, who used sophisticated weapons. One policeman died and four were wounded during the attack [as heard].

It has been reported that the terrorists tried to seize the police station in order to steal their weapons. They failed because the few policemen courageously defended the station. [passage omitted]

Venezuela

Perez Criticizes Latin American 'Ineffectiveness'

PA3012222889 Hamburg DPA in Spanish 1858 GMT 30 Dec 89

[Text] Caracas, 30 Dec (DPA)—Venezuelan President Carlos Andres Perez today termed Latin America "ineffective" for not paving the way for democracy in Panama by using the people's nonintervention principle as an excuse.

During his year-end message, Perez analyzed the political reality on the subcontinent, which has seen dictatorships fall one by one, but was "humiliated" by the U.S. military intervention in Panama.

"As the end of the year approaches, it is painful to witness a new and disgraceful humiliation for our peoples with the invasion to Panama. We have the authority to say this, as we have firmly criticized the shameful Panamanian regime and have diligently sought a Latin American consensus to find a peaceful and democratic solution for Panama," Perez said.

Perez added that "regrettably," Latin American mechanisms were weakened by differences regarding the nonintervention principle. He stressed that "holding on to archaic 19th century concepts that existed before the UN and the OAS were created caused inaction and ineffectiveness" within Latin American nations which were incapable of solving the crisis, while the United States "resorted to the old and condemnable practice of military intervention."

Perez stressed that the peoples' efforts for democracy in each country cannot be replaced by the use of force by a foreign power because "the remedy can be worse than the sickness."

"We are committed to achieving stable peace and a democracy with credibility in Central America and now we are faced with a dilemma: There is a government in Panama of unquestionable legitimacy based on the results of the elections disregarded by the dictatorial regime (Noriega's). However, that government was installed in a nation occupied by foreign forces."

Perez stressed that his government does not accept this situation of "culpable" complicity, and will continue to insist on formulas and solutions that "without affecting our rejection and condemnation of the intervention, pave the way for a satisfactory solution to the Panamanian people and its right to peace, democracy, and dignity."

When discussing Venezuelan events, Perez said that in 1989 Venezuelans saw "with all its weight, the perverse effects of our weaknesses as a country."

Perez listed these weakenesses under four points: an artificial and unproductive economy, an outbreak of reports on corruption, extreme poverty, and the worsening images of political leaders and parties. This was demonstrated in the 3 December municipal elections, where absenteeism reached 70 [percent].

In a 45-minute message broadcast over a radio and television network, the Venezuelan president expressed hope that in 1990 Venezuela would regain its growth, leaving behind the economic recession which surpassed 8 [as received] this year, according to Venezuelan Central Bank figures.

"In 1990, the growth will go hand-in-hand with a significant reduction in inflation, which will allow interest rates to drop and will end restrictions which affect loan granting."

Perez noted that next year, the country will see the opening of trade, promotion of nontraditional exports within the framework of the productive apparatus, and the country's new place in international markets.

President Perez Gives Year-End Speech

PA3112165789 Caracas Venezolana de Television Canal 8 in Spanish 1630 GMT 30 Dec 89

[Speech by President Carlos Andres Perez; date and place not given;—live or recorded; broadcast in progress]

[Text] ... and sacrifice. This is what we have done during the year about to end. We all know that this process of deep transformation of economy, finance, and the Venezuelan people's view of the crisis has not been easy. The government's firm determination to set the country on a different course naturally caused confusion and discord. Today, however, on the eve of a new year and decade, the country has recognized the inevitability of the measures taken to prevent monetary, financial, economic, and commercial imbalances from plunging us into chaos. Even more important, the country has begun to see the first signs of recovery. The year 1989 was a time of great national commitment, a year of work and sacrifice. Within this unique framework, I am convinced that we all faced our difficulties with fortitude. The results we obtained in the midst of difficult conditions are a strong indication of all we will be able to do in 1990, the year that introduces the last decade in this century.

I am appearing today before the Venezuelan people to say that the worst of this process of change has passed, because in 1989 we had the strength to face our difficulties. In 1990 we will have a great opportunity to establish Venezuela's rapid modernization on a sound basis. This year we established a new commercial policy which in 1990 will stimulate new investment, eliminate the government's issuing import permits and licenses at discretion, and end import monopolies. This procommerce policy will result in lowering the prices of many products, which are seriously affecting the Venezuelan people's standard of living. This year the obstacles hindering importers have been considerably reduced. Despite all the difficulties, nontraditional exports increased to more than $2 billion. This year we put an end to the country's financial restraint. This year we initiated the recovery of our international reserves. While our operational reserves were less than $300 million in February, they have now reached $3 billion. Finally, this year we began a program to directly care for those less fortunate. Jobs, food, day care, and mother - child care programs are some examples of my government's commitment to tackle the problem of poverty directly and on a priority basis.

All of these actions, some of which are painful and traumatic, enabled us to alter the misdirected course of the country and to correct the major imbalances that threatened us with unprecedented disaster. Because we did what we did, we can now look forward to Venezuela's future with certainty and, starting in 1990, both give impetus to the infrastructure to support the productive sector and reinforce the social infrastructure. This is essential to start the process of growth without inflation, which we intend to implement. With this in mind, we have outlined an ambitious public investment plan for the next 4 years, for which we have earmarked 270 billion bolivares. This plan will be the basis for the definitive restructuring of Venezuela's economy. The year 1989 will resound in the history of mankind for a long time. In 1989, the planet started to change, to become more humane, and better. The winds of change shook Europe and the Soviet Union.

The great integration efforts are one of today's main concerns. For the first time, lasting peace and peaceful, civilized coexistence are tangible objectives and a well-founded hope. Peoples and the citizens of all the world have arisen like a great wave to claim their rights and the lasting ideals of democracy. The ideals of liberty and coexistence today are stronger than ever. A decade that began with dramatic and pessimistic omens is ending with the brightness of very favorable opportunities, despite a number of tragic situations that still exist and the reappearance of procedures that should be forever excluded from the relations among nations.

Our Latin America has seen its democratic destiny revitalized. The new and old dictators in nearly all of our countries have been ousted one by one. All of the South American countries will begin the first decade of the century as democratic countries.

Nevertheless, we have to admit with sadness that late in the year we have witnessed a new and unfortunate humiliation inflicted on our peoples with the invasion of Panama. I have the authority to say this because I have been a firm critic of the shameless Panamanian regime and have eagerly sought a Latin American concensus to bring about a peaceful and democratic solution in Panama. Unfortunately, Latin America's mechanisms have been affected by differences over the principle of nonintervention. Its mechanisms have clung to archaic 19th century concepts that predate the UN, OAS, conventions, and declarations that have given life to supranational laws and duties, thereby anchoring our countries' decisions to inaction and inefficiency and thereby proving them incapable of paving the way for a solution to the crisis. Meanwhile, the United States has resorted to the ancient and objectionable practice of military intervention.

The truth is that each country's effort to achieve democracy cannot be replaced by the strength of a foreign power. If as a result of the sacrifice the Venezuelans made to free themselves from their last dictatorship, someone had felt he had the right to replace us in the struggle, it is true that the dictatorship would not have lasted as long, but it is also true that our people would have been humiliated and our democratic forces weakened, ridiculed, and unable to rebuild a system of liberties.

No one can replace a people's struggle regardless of how difficult that struggle may be, because the cure will always be worse than the disease. We have pledged to achieve stable peace and credible democracy in Central America. We are now at a difficult crossroads: a government in Panama that has indisputably legitimate origins in the electoral process derided by the dictatorial regime, but which has been installed in a nation occupied by foreign troops. Meanwhile, the United States is acting without considering Latin American positions or feelings.

The incipient Panamanian regime has been forsaken, it has not received the support or recognition of Latin America, and to complete this dramatic picture, our Latin America—sunken in inaction and shielded by the principle of nonintervention as if that were a solution—is finding out that this principle, which for us is unrenounceable, has become a subtle and negative form of intervention. However, because it is a passive principle, it has only authorized or made possible what we are claiming to repudiate and condemn.

My government does not accept this complicity. We will continue insisting on formulas and solutions which, without affecting our rejection and condemnation of the intervention, will pave the way to a satisfactory solution for the Panamanian people, who are entitled to peace, democracy, and dignity.

As for Venezuela, during the decade that is concluding we saw the outbreak of an economic crisis that materialized during what we have taken to calling Black Friday of February 1983. We saw the social crisis that broke out on 27 February, shortly after the government I am heading was installed. We were shaken by a political crisis, by the people's response to the elections on 3 December. Along with this crisis, we were submerged throughout 1989 in scandals, which were expressed in dozens of accusations of corruption.

These circumstances, which caused us anguish and anxiety, did not make us pessimistic. We must face them as the living expressions of the exhaustion of a Venezuela where the easiest way out—ill-understood cunning, patronage, unproductiveness, excessive spending, and waste—prospered, giving rise throughout so many years to the spread of corruption.

These same circumstances challenge us to clear the way for the Venezuela which for a long time has been struggling to get out of this jam; for the responsible worker, the creative professional, the honest and capable politician, the serious and studious but critical and back-talking youths, and the competitive businessman. For this, we need not deny the past. In that past, in the midst of all the deficiencies and disorders that we faced and which we are decidedly beginning to correct, we established the foundations of the modern and creative Venezuela which now, among all of us, we are beginning to reestablish.

We all feel that the year that is ending has been a year of uncertainty and anguish. It has been a year of tensions and conflicts, a year of crises, and so it is. The year 1989 has been a very critical year in the young life of our democratic history, but it has also been the year of the great turnaround.

During 1989, we Venezuelans saw proof of our weaknesses crop up, simultaneously with all of our defects. We saw an artificial and unproductive economy, the destructive effects of hopelessness caused by the penury and poverty in which many—too many—Venezuelans live, an explosion of accusations against the cancer of corruption, the deterioration of the parties' and political leaders' images and that of businessmen, in this marathon of accusations and confusion.

The year 1989 has also been the year in which we Venezuelans have proven that we are not a passive, sick, resigned people, who give up in despair.

We have shown that we do not deceive ourselves; that we do not lie to each other; that we diagnose intelligently and honestly the problems that afflict us; that we are not satisfied with reporting these problems—many times tending to exaggerate them. Venezuelans know how to assume their responsibilities. We recognize a deeply-rooted problem, convinced that we will emerge victorious and stronger from the current situation.

The economy will resume its growth in 1990. The end of the recession we unavoidably had to accept is clearly and fully outlined in the year-end report from the president of the Central Bank of Venezuela, which states that the GNP declined by more than 8 percent. However, in 1990 there will be growth as well as a significant reduction in inflation, thus allowing cuts in interest rates and the end of limitations that affect the granting of loans.

The year 1990 will open the doors for our country's admission to international markets with new commercial opportunities and the promotion of nontraditional exports within a framework aimed at reorganizing the production system, thus increasing the efficiency and competitiveness of our industry, agriculture, and services. Our agenda for 1990 is as follows:

We have intensively worked searching for real solutions. We will achieve a definite agreement with international banks to reduce our foreign debt and its service. This solution will reflect the basic criteria we have defended, meaning that the debt cannot be an obstacle for growth and that growth must be a priority that takes precedence over the foreign debt.

Venezuela's growth in the future requires an infrastructure that supports the production sector and strengthens our social structure to optimize human resources and improve public services. Social investments will be aimed at improving basic public services such as social security, education, health, and protection for the citizens as the way to directly attend to the needs of the most needy, who have no access to private services. Investments will be made following the criteria of assigning more resources to the most needy areas to guarantee an equitable distribution throughout our land. The increase in the construction of homes has not been accompanied by the development of basic services. My administration has sought to solve these problems by extending the potable water system service to 4,200,000 people and the sewer system service to 3,700,000 people.

In the education sector, we will build the necessary facilities for 600,000 preschoolers. The elementary and high school education system will be equipped to admit an additional 600,000 children and youths; and the diversified, technical, and professional education system will be equipped to admit an additional 200,000 students.

The country's grave health problems will be countered by building and equipping urban mobile clinics and rural clinics that will give medical attention to more than 2,800,000 inhabitants. This will ease the work load of hospitals in heavily populated cities.

The investment projects to support the production sector will be aimed at creating infrastructures to encourage private investments in the agriculture, industry, tourism, and services sectors. Priority will be given to the construction, improvement, and maintenance of highways, ports, airports, electric system, telecommunications, and related services to support the overall competitiveness of our economy.

The railroad era will begin in Venezuela with the construction of great Ciudad Guayana - Ocumare del Tuy railroad, and the Ocumare del Tuy - Caracas - Maracay - Valencia - Puerto Cabello railroad. An investment program for the aqueduct system includes completing the El Centro regional aqueduct, the Falcon state system, and the Hueque reservoir; resuming the Macarao Dam's construction to guarantee Caracas' water supply; completing the construction of the Taguaza, El Diluvio, Nuevo Mundo, and Agua Viva reservoirs; completing the construction of the Yacambo - Quibor project; and completing the construction of the Las Mayas Dam for the central coastal aqueduct.

Local short-term programs will be carried out to repair deteriorating highways, avenues, bridges, and viaducts. The highway system includes the completion of important projects like the Petare - Barcelona expressway, the Merida - Pan-American Highway expressway, and the San Cristobal - La Fria expressway; as well as the bridges over Maracaibo Lake and the Orinoco River. The investment program includes 8.4 billion bolivares to repair highways. Railroad plans include the continuation of the Puerto Cabello - Acarigua line up to Ature; the reactivation of the Moreon - Riancito line for mining activities; and several large-scale projects that will represent investments in excess of 59 billion bolivares during this term.

The telecommunications area also represents a priority. The great deficiencies in our current system are compounded by the increasing pressures to meet other demands.

Public tourism expenditures will be devoted primarily to supplying services to the tourist centers with the largest private investment. As the first priority, expenditures will be oriented toward ensuring the supply of water, as well as sewers, telephones, and highways, to tourist centers under construction. The Cumana, Porlamar, and Barcelona airports, as well as the Vigia in Merida, will be expanded and improved. The Estanques-Inter-American Highway will be completed. Pozuelo Bay will be dredged. The drainage system in the Barcelona-Puerto La Cruz area will be built. The new Cumana Highway will be built and special attention will be paid to the Playa del Lago area in Margarita.

Concerning investments in the productive sector, the state's resources will be used both to create service infrastuctures to increase industrial development in the country and keep strategic productive sectors, such as oil, operating with full efficiency. In other productive areas, which require large investments, but in which the state's exclusive participation is not necessary, such as petrochemical, aluminum, steel, and mining projects, the growing participation of the local and foreign private sectors will be encouraged. The recent development of the aluminum industry in Guayana has been very significant for the country. Large investments will continue to be made in every link of the production chain, BAUXIVEN [Venezuelan Bauxite, Inc.], INTERALUM [expansion unknown], (?VENALCAS) [expansion unknown], and VENALUM [expansion unknown], to expand production capacity. We will encourage the development of aluminum ore plants with the participation of a majority of the local and international private corporations. To generate the power required by this ambitious development plan, we will continue with the Caroni River hydroelectric program.

In 1990, we will implement reformation of the tax system to lower our heavy dependence on the oil industry. We will continue to reduce prices and the rates of the state-produced goods and state-rendered services. These price adjustments will be accompanied by a substantial improvement in the management of public corporations. I have promised to eliminate the habit of continuing to operate corporations at a deficit, which serves the country poorly and which is not closely controlled and supervised. For 1990, the rationalization, restructuring, and privatization of the state's nonessential corporations is a fundamental priority. In 1990, we will complete the restructuring of CADAFE [Electrical Administration and Development Corporation] and INOS [National Institute of Sanitation Works], regionalize their services, and reorganize their management and financial systems. IPOSTEL [not further expanded] and CANTV [National Telephone Company of Venezuela] must operate to serve their clients with efficiency and at low cost. The National Port Institute and Venezolana de Navegacion, S.A. will be reorganized and turned into pillars to stimulate exports and liberalize international trade, thus lowering inefficiency and opening a door to private competition in these services.

The commercial policy adopted in 1989 will be reinforced to make it easier to modify the country's production structure, diversify the economy, and lower the cost of living. During the first quarter of 1990, we will lower customs protectionism to create the necessary incentives for industrial reconversion. The lowering of tariffs will check the speculation-created inflation. The population will have at their disposal a larger variety of goods of higher quality at lower prices. The encouragement of nontraditional exports will continue to be backed by the elimination of administrative obstacles and customs restrictions. For 1990, we have planned to implement special regulations to restore the competitiveness of export products. Export procedures will be complemented with financial, technical, and publicity assistance and will guarantee the operation of the production chain of exportable goods. With these efforts, we expect to better by far the special results we achieved in 1989 and increase nontraditional exports to more than $3 billion in 1990.

Agriculture will have a true thrust during the coming year as necessary structural changes will be implemented that will enhance its development according to strategic, far-reaching policies. We will redefine our agricultural policies to consolidate and optimize our resources in products that are more competitive and that will satisfy our basic food needs. This policy is to be complemented with applied research, technical assistance, and training of personnel programs to increase Venezuelan agriculture production. We will implement a program to develop our physical and services infrastructure, as its deficiencies have been our big obstacle for many years. The program is to include irrigation systems, land improvement, rural roads and housing, medical and educational services, and improvement in the channels to market and distribute our produce. During 1990, we will have the proper conditions to increase our production speedily, ensure that we have enough food to supply all the population, and produce products that can and should be produced.

The government will compensate for the decrease in employment and lessen the blow of income deterioriation by implementing the special 1990 employment and social investment plan that will carry out projects that will make intensive use of unskilled manpower. This special plan has 20 billion bolivares in resources. It will generate more than 125,000 jobs that will benefit more than 83,000 families [as heard]. In addition, 100,000 new jobs will be generated by other public investment programs. Thus, we will have a total of more than 225,000 new jobs. This will allow for a substantial decrease in unemployment and create demands that are to reactivate private enterprise. During 1990, our social policy will be geared toward combatting poverty.

Social services will improve, and the recovery and reform of the social security and the INCE [National Institute of Cooperative Education] have been initiated.

This plan involves a group of top priority programs that are aimed at low-income family groups. We plan to promote the beneficiaries' participation in the plan's execution. The plan will be part of the activities of the presidential commission on poverty.

The following programs will be carried out: the national nutrition program, the program for attention to children under the age of 6, the program to improve neighborhoods, the program to support the popular economy, and the program for attention to workers.

I understand the feelings of impatient Venezuelans who are experiencing the hardships of the current times, and their anxiety at not seeing immediate improvement in their living conditions. Believe me, the difficulties would have been much greater if the corrective measures and policies that were adopted had not been applied. I can give you assurances of this.

I must also tell you of my deep conviction that any hesitation in my government's decisions would have led us to great evils, to catastrophic situations of unsuspected magnitude. What I am saying does not mean that I am rigid or dogmatic, and that I will not introduce the corrective measures demanded by reality. What I am trying to say is that I will maintain the government's original course of action, fully convinced that we will overcome this situation with flying colors. Neither do I hesitate in describing this situation as a fortunate crisis. This is an important circumstance that we must take advantage of to work and achieve the goals that we always sought—a healthy, efficient, and productive economy; a more democratic and participatory political life; a fairer social situation; and the honest use of social wealth and our national heritage. To accomplish these goals is our collective responsibility and all Venezuelans should feel satisfied about our collective effort in 1989.

The government has shown new decisionmaking capabilities. The citizens gave the political parties and their leaders an important signal on 3 December. The parties and their leaders, I have not the slightest doubt, will rise to the occasion and meet the demands that the people made of them. The judicial branch must diligently take care of the reforms and actions that the country is demanding. Workers and businessmen will continue with determination to make a concerted effort to adapt with maturity to the difficulties and demands of the current times, with a view toward the future.

As you can see, there are more than enough reasons to be optimistic. The great turnabout I am leading is essential, and I am sure that all Venezuelans understand and acknowledge this. I know that otherwise, had we continued as we were, we would all drown very soon. Our economy's reconversion, which is not a simple task and which will take a while, is beginning to yield its first fruits, and we have already established ambitious and possible goals we will begin to pursue in 1990. Political reform has also begun and must continue with profound democratization and modernization of the political parties and their leadership.

New social reforms can be seen in unemployment benefits and food programs and they are to continue with advanced social security systems, such as old-age pensions and attention to the have-nots.

Our country's national turnabout has the goal of making a country economically productive, competitive, and with a high exportation rate. We want a united country, scientifically and culturally innovative, politically participative, and capable of annhiliating any recurrence of the corruption that in 1989, and perhaps for the first time, we have all started to combat without duplicity.

Venezuela is a country that has obtained the best of the century that is to end and that is readying itself to enter the 21th century with renewed forces and fertile hopes. It is aware of its possibilities, problems, limitations, and acts without self-deceit or tricks. What we must achieve in 1990 is but the first step that must be taken in the decade that ends the century. We will confront many challenges during this decade and we have already started to do so with a government that is much more decentralized and capable of distributing responsibilities at all national, regional, and local levels.

I invite all governors and mayors elected by the people to work together, so that in 3 years no Venezuelan will have any reason to abstain from voting. The people's enthusiasm for the country's democratic institutions depends on all of us, national, regional, and local leaders. Our people demand a responsible government and a serious and vigilant opposition. We must not disappoint them. Everyday I demand from my collaborators quality in performing their duties. I ask the opposition and the ruling party to increase their vigilance, and I offer them still more opportunities and willingness to listen and review their observations and criticisms. After all, we all work for Venezuela.

I ask workers and businessmen to continue and intensify their efforts to have an economy free of obstacles and protectionism, competitive and exporting, capable of achieving the objective of drastically improving the quality of life of an increasingly larger number of fellow citizens. We want an economy with productive and social meaning, which means that we must continue to work in harmony. Government, students, teachers, professors, and scientists must work in the formation and development of innovating and creative talent. Our educational system should be, par excellence, our basic resource.

To achieve this and more, we need not ask for sacrifices. There is no sacrifice when efforts are joined to improve everyone's living standards, thinking, and acting with a futuristic mind.

We have resolutely promoted state reform. I am proud to be the Venezuelan president whose administration has promoted this process that links us with and makes us part of the modern changes currently taking place in the world. I have supported and promoted those reforms because although the democratic redistribution of social power reduces the authority exercised at the top echelons, it means more and better power for the entire society.

We must eliminate excessive centralism, the influence peddling in politics, and exaggerated partisanship. In the interest of promoting in a concerted way the changes the country requires, I have asked the presidential commission for state reform to convene all political and institutional groups in the country to achieve a great national agreement.

A pact for state reform could be the beginning of a program capable of continuing beyond my government and preparing Venezuela for the needs of the next century.

We are going toward the year 2000. Within that perspective, there is no possible return to the past. We must look toward the future, not because we repudiate or renege our past, but because we accomplished the best we could, and there is nothing else the past can offer. Let us take advantage of the good things we have accomplished in the past, let us learn from all our mistakes, to face the enormous and pleasant task of making it possible for Venezuela to enter the last decade of this century proud of its democratic achievements, with firm feet on the present and an enthusiastic look at the future.

We will all play fair and work with dedication for Venezuela. I am certain of that, because we are a great nation of intelligent and wholehearted people, who are capable of rectification.

I wish you all a happy new year, and let us all go to work! [applause]

Chamber of Deputies Head on Panama Situation

PA0101210790 Madrid EFE in Spanish 2016 GMT 1 Jan 90

[Text] Caracas, 1 Jan (EFE)—Christian Democrat Jose Rodriguez Iturbe, president of the Venezuelan Chamber of Deputies, today described the U.S. invasion of Panama as "boorishness" and said that if the U.S. troops "were not able to grab Noriega before he entered the Nunciature, they should now respect international laws."

"What they have done with the Cuban and Nicaraguan Embassies and what they are now attempting to do with the Apostolic Nunciature merits the repudiation and censorship of every sensible and civilized person," Rodriguez added.

"I, who am glad they removed Noriega, say this. I, who cannot be described as pro-Castro or pro-Sandinist, am saying this," Rodriguez Iturbe added. Rodriguez Iturbe is a leader of the main opposition party in Venezuela and a Christian Democrat like Ricardo Arias Calderon, one of the current Panamanian vice presidents.

Guyana

President Hoyte Prorogues Parliament

FL3012201689 Bridgetown CANA in English
1948 GMT 30 Dec 89

[Text] Georgetown, Guyana, Dec 30, CANA— President Desmond Hoyte has signed a proclamation proroguing Parliament with effect from January 2, the state media reported Saturday. It is believed to be the first time that Parliament will be prorogued since the country's new Constituition was promulgated in October 1980.

No details were given about the president's reasons for the move but political analysts say his decision might have nothing to do with plans for national elections which must be held by March, 1991. In keeping with the Constitution, the next session of the National Assembly will have to begin not later than 6 months from January 2.

Hoyte's Office Comments on Jagan Statement

FL3012224089 Bridgetown CANA in English
1719 29 Dec 89

[Text] Georgetown, Guyana, Dec 29, CANA— The office of Guyana's president has described as "partisan propaganda" a statement issued by Guyana opposition leader, Dr. Cheddi Jagan on his December 16 talks with President Desmond Hoyte. Hoyte's office said that while Jagan's statement, in itself, could not be objected to, it is "to be regretted that Dr. Jagan should have inserted tendentious, partisan propaganda quite out of keeping with the spirit of the meeting."

The talks which both sides said were "cordial" were summoned by the president to brief Jagan in his capacity as "minority leader" and honorary president of the Guyana Agricultural and General Workers' Union (Gawu), on the government's investment initiatives for the bauxite and sugar industries, in particular, and for the rest of the economy generally.

In his statement circulated on December 19, Jagan who heads the Marxist People's Progressive Party (PPP), had accused the government of embarking on a programme of "precipitate and wholesale de-nationalisation and privatisation" for which he said the government has no mandate from the people. He had also said that he and the president had differed on many issues and he called for a political solution to Guyana's problems.

The statement from Hoyte's office said that while Jagan accepted that there was urgent need for investment, he expressed fears about the inflow of foreign capital. "He was worried, he said, that the government's policy of attracting foreign investment, could prevent Guyana from becoming a communist state. He was firm in his opinion that this objective should be pursued, even .... if it took a 100 years," the president's statement said.

"He (Jagan) was very obsessed with his marxist/Leninist ideology and expounded at length about what he perceived to be its desirable benefits," it went on. "He seemed to think that "workers' control of industry" was a substitute for management expertise and felt that participation in our economy by foreign investors would prevent the achievement of this objective.

"Dr. Jagan asked a number of questions about capital structure and shareholding mix of any company in which Bookers or Alcan might possibly be involved as equity partners. The president explained that these were details that would arise only when the parties sat down to negotiate a definitive agreement." The Guyana Government has been talking with Bookers and Alcan, the former major foreign owners of the sugar and bauxite industries, respectively, about helping with the two major foreign exchange earners.

The statement said that during the meeting Jagan raised a number of political issues. "He also spoke about the need for what he called "electoral reforms," it said. "He was at pains to point out that he was not in agreement with those political groupings which were calling for a total overhaul of the Constitution; his only interest, he said, was in "electoral reforms."

"The president undertook to give consideration to the several points raised by Dr. Jagan," the statement added. It said the meeting was held in a cordial atmosphere and the president undertook to brief Jagan from time to time on the progress being made in relation to government's investment policy and major developments in the economy as a whole.

Debt Rescheduling Agreement Signed With UK

FL3012204389 Bridgetown CANA in English
1351 GMT 30 Dec 89

[Text] Georgetown, Guyana, Dec 30, CANA— Guyana and the United Kingdom on Friday signed an agreement paving the way for the rescheduling of Guyana's commercial debts to the Export Credit Guarantee Department (ECGD) of the U.K. Officials of both countries explained that the exact amount of Guyana's debt to the ECGD was currently being collated and reconciled and was therefore not immediately available. The ECGD is a British institution which guarantees payments to British manufacturers for their exports to other countries.

Finance Minister Carl Greenidge explained that Friday's agreement was signed in keeping with the deal reached with the Paris Club in June for the rescheduling of

Guyana's debt with members of the group. He said since the agreement with the Paris Club, Guyana has been negotiating the terms of the rescheduling with the individual members of the Club and Friday's agreement with the British dealt only with the commercial debts and not the official debts to the U.K. Government, the details for the rescheduling of which are still being discussed.

Both he and acting British high commissioner, Mr. Stephen Hiscock, who signed Friday's agreement on behalf of their respective governments, told newsmen that the terms of agreement are slightly more generous than the Paris Club terms which provide for, among other things, repayment over 10 years with a 5-year moratorium. Hiscock also confirmed that in the case of Guyana's official debt to the U.K., the rescheduling of which still has to be finalised, his government has indicated that it is prepared to write off some of the debt.

He also told newsmen that in keeping with the British Government's support for Guyana's Economic Recovery Programme, by the end of this year, it would have provided Guyana was close to 6 million pounds sterling in balance of payments support. The British Government, he added, has also approved 10 million U.S. dollars as bridging finance to help Guyana clear its indebtedness with the multilateral financial institutions and 3.4 million pounds sterling for the payment of some of Guyana's commercial debts. Guyana has a foreign debt of 1.8 billion U.S. dollars. Government hopes to reschedule 1.2 billion U.S. dollars of this.